Financial Consumer Protection Survey (FCPS) Bangladesh 2025

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Innovations for Poverty Action

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Executive Summary

Top five challenges and risks identified by DFS users	
1. Poor network quality	32%
2. Fraud attempt	21%
3. Difficulty managing debt payments (% of debt users)	19%
4. Unclear fees or charges	12%
5. Sent money to an incorrect number	11%

Choice and transparency	
Compares prices before selecting a financial service provider	26%
Often or always learns prices for DFS before the transaction	53%

Over-indebtedness	
Loan users that missed a scheduled payment in last 12 months	9%
Loan users that regretted taking on debt	15%
Loan users that reduced food expenditure to repay debt	24%

Fraud	
Experienced a fraud attempt in last 12 months	21%
Lost money due to fraud in last 12 months	6%

Executive Summary

Challenges with agents	
Paid an extra fee in last agent transaction	7%
Experience agent discrimination sometimes, often, or always	25%

Complaints redress	
Sought redress in the last 12 months, among those that lost money due to fraud, unclear fees, or service quality challenges	32%
Of redress seekers, somewhat or very satisfied with last redress outcome	67%
Redress seekers changed, stopped, or reduced usage of DFS	
- Of redress seekers, **satisfied** with redress outcome	17%
- Of redress seekers, **dissatisfied** with redress outcome	60%

Trust	
Share of respondents who report full trust in each provider type (regarding privacy, fraud protection, and problem resolution):	
- Mobile banking providers	51%
- Mobile money providers	40%
- Agents	38%
- Mobile loan providers	32%

Executive Summary

Sample characteristics

1 **Demographics:** 81 percent had completed at least some secondary education or more, higher than the 70 percent in the Findex 2025 survey, and 60 percent were between 26 and 45 years of age. 50 percent of interviewed respondents were female, and 50 percent urban (comparing to 49 percent female and 39 percent urban DFS users in Findex).

2 **Smartphone usage:** 72 percent of respondents use smartphones as their primary phone, with higher usage among male, urban, higher educated, younger, more financially literate, and less poor consumers.

3 **SIM card registration:** 26 percent of respondents used SIM cards not registered in their name, down from 34 percent in 2021. Younger adults, higher educated, and female respondents were more likely to use SIM cards registered in someone else's name.

4 **Security vulnerabilities:** Nearly 30 percent of DFS users did not have a PIN or password on their phone to protect their accounts. 45 percent of those with PIN/passwords shared them with others, typically spouses or household members.

Executive Summary

Digital Financial Services Usage and Consumer Choice

1 **Services used:** Mobile money and DFS agents are the most used services overall, used by 89 percent and 83 percent of consumers respectively, with 25 percent using mobile banking. Mobile loans, overdrafts, buy-now-pay-later and credit cards are rare, used by less than 7 percent of respondents.

2 **Provider concentration:** Two mobile money providers account for 75 percent of the market. 97 percent of users had only used one mobile loan provider, while only 18 percent had used just one agent.

3 **Comparing prices:** Between 21 percent and 33 percent of consumers compared prices depending on the service used, with 15 percent of payment services users and 18 percent of loan users finding it somewhat or very difficult to compare prices.

4 **Stopped using a service:** 25 percent had stopped using of a payment service provider (primarily due to no longer needing the service, or account problems), and 29 percent had stopped using an agent (mostly due to distance, poor customer service, or agents going out of business).

Executive Summary

Challenges and risks

1 **Fraud exposure:** 21 percent of all respondents experienced a fraud attempt in the last 12 months, with 6 percent losing money to fraud. The median loss was USD 17.

2 **Over-indebtedness:** Among mobile loan users, 9 percent failed to repay a loan in the last 12 months, 15 percent regretted taking on debt, and 24 percent reduced food expenditure to repay debt.

3 **Sending money incorrectly:** 11 percent of payment services users had ever sent money to a wrong number, with 42 percent unable to recover the funds.

4 **Service quality issues:** 43 percent experienced any type of service quality challenge in the past 12 months. Of those, 32 percent experiencing poor network quality and 7 percent struggled to reach customer care when needed.

Executive Summary

Complaints redress

1 **Redress-seeking rates:** Of those who lost money due to fraud, unexpected fees, or service quality challenges in the past 12 months, only 32 percent sought redress to resolve the issue. Male respondents were more likely to seek redress.

2 **Recovery of funds:** Among the 31 percent of redress seekers who lost money, 25 percent were able to recover some or all of it. The average loss in the incident was USD 11.

3 **Redress resolution:** 67 percent of redress seekers were satisfied with the outcome. 10 percent of cases did not get resolved, and 69 percent of respondents spent money (averaging USD 1.46) on resolution costs like airtime fees or travel expenses.

4 **Impact on service usage:** Among redress seekers, 31 percent made a change to their DFS usage as a result of the challenge experienced. Those dissatisfied with the outcome were significantly more likely (60 percent) to switch providers or reduce/discontinue DFS usage compared to those satisfied (17 percent).

Executive Summary

Trust in Digital Financial Services

1 **Trust levels by provider:** Consumer trust was highest in mobile banking providers, with 51 percent of respondents giving them full trust ratings. Only around 40 percent fully trusted in mobile money providers and agents, and 33 in mobile loan providers.

2 **Security from fraud:** Across all services, consumers were least confident in providers' ability to keep their money secure from fraud (with 39 percent giving full trust ratings), and most confident in their ability to keep information related to their transactions or account private (with 44 percent giving full trust ratings), with ability to help with challenges between the two (40 percent giving full trust ratings).

3 **Demographic trust patterns:** Female and less poor respondents tended to be less trustful, as measured by a trust index score constructed from all trust indicators.

4 **DFS challenges and impact on trust levels:** Consumers who experienced DFS challenges showed lower trust scores, with issues related to losing money due to fraud particularly strongly correlated with reduced trust.

Key Terms

BNPL: Buy-now-pay-later, or installment payment services, allow users to purchase goods or services immediately and repay the cost later through deductions from their accounts over several weeks or months. These services are typically provided by a financial company instantly at the time of purchase.

Credit card: A credit card is a card that allows users to borrow money in order to make payments or purchases. The balance is repaid later.

Debit card: A debit or ATM card is a card connected to an account that allows users to withdraw money or buy things, and the money is taken out of the account immediately.

DFS agents: DFS agents provide cash-in (deposit) and cash-out (withdrawal) services for customers, acting as human ATMs. Agents may also support customers complete other types of transactions, open accounts for new customers, and help customers resolve problems.

Digital credit: financial service that enables you to obtain loans through digital rather than in-person channels, most often via a mobile phone.

Digital financial services (DFS): Financial services—such as deposits, payments, and credit—delivered through digital channels, most commonly via mobile phones.

Key Terms

Mobile banking: A service that allows users to access and manage their bank account via a mobile phone using USSD codes or a bank app. A bank account is required to use mobile banking services.

Mobile money: An electronic wallet service that uses a phone number as the account number, allowing users to hold money electronically, send and receive funds, and make payments without needing a bank account - just a phone number and ID are required.

Overdraft services: Overdrafts allow users to spend more than their account balance by automatically covering the cost of a purchase if it exceeds the account balance. This credit is repaid later.

USSD: Unstructured Supplementary Service Data. A communication service that enables customers to use mobile financial services (MFS) on nearly any phone, by sending instructions to the MFS provider along with their personal identification number (PIN) for authentication, while enabling MFS providers to send responses to clients and confirm transactions. Examples of usage includes making payments or sending funds with mobile money, checking account balances, and buying airtime and internet bundles.

Subgroups

Throughout this report, segmentation analysis is conducted using the following six respondent characteristics:

GENDER: In our survey, respondents self-identified as either male or female.

AGE: Grouped into brackets of 18-25 years, 26-45 years, and older than 46 years.

URBAN: Respondents were automatically categorized as urban or rural. We sampled from the country's two largest cities by population size (urban) and two randomly selected districts with a population density below the country median (rural)

EDUCATION: We grouped respondents into those who have completed primary education or less, those who have completed some level of secondary education, and those who have completed secondary education or a higher level. Higher levels includes diplomas and university education.

POVERTY: Our definition was based on the Poverty Probability Index (PPI®) score. Individuals were grouped into more and less likely to be poor, where more poor individuals had a poverty probability higher than the sample median

FINANCIAL LITERACY: We grouped respondents into less financially literate (scoring less than 3/4 questions correctly) and financially literate (scoring at least 3/4 questions correctly), based on Standard & Poor's global financial literacy survey

Study Methodology: Financial Consumer Protection Study

Summary: FCPS studies are conducted as **in-person market intercept surveys** targeting **1,000 DFS active customers** (respondents who had used digital financial services in the past 12 months). By design, the samples include **equal representation by gender as well as rural and urban** locations. We present **unweighted statistics**.

Sampling: Our sampling methodology involves a multi-tiered purposive sampling process to select markets where intercept surveys are conducted. An equal number of urban and rural markets are selected, each with different sampling approaches:

Urban locations: We select the country's **two largest cities** by population. In each selected city, field teams identify five markets (where food, clothing, or other consumer goods are typically sold), one market in the city's central business district and one market in each cardinal direction from the central business district (with modifications based on geography as needed).

Rural locations: We select administrative units at the level with a count closest to 100 units, and randomly select **two administrative units**, subject to three constraints: (1) below median population density, (2) no safety and security concerns, and (3) no IPA or partner survey firm operational limitations. To sample markets, we **randomly generate ten geocoordinates** per administrative unit, excluding areas with high population density (>1,000/km^2). Field teams then identify the **nearest market** within a 15km radius of these coordinates.

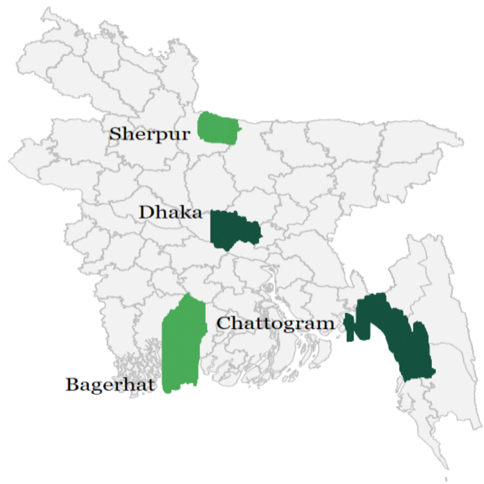
Respondent selection and recruitment: Enumerators station themselves in sampled markets, **intercepting individuals** to screen them for eligibility. Interviews are conducted until a total of 25 surveys have been completed in each market. Respondents must be **at least 18 years old, and have used mobile money, mobile banking, or a DFS agent within the past 12 months**. We sample an **equal number of men and women**.

Study Methodology: The Bangladeshn FCP Survey

Sampled Districts: In Bangladesh, we conducted the FCP survey in **urban markets** in **Dhaka** and **Chattogram**, and in **rural markets** in **Sherpur** and **Bagherat** districts.

Representation: Our survey is **not representative of the population of DFS users in Bangladesh**.

Our **purposive sampling approach** is designed to allow us to make comparisons across important consumer segments, without taking a resource-intensive, nationally representative sampling approach. As a rough assessment of representativeness, we present detailed sample demographics and compare them with those of DFS users in the nationally representative 2025 Global Findex survey.



Urban cities are displayed in dark green, rural districts in lighter green

Sample Characteristics

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Key Findings

1. **Demographics:** 81 percent had completed at least some secondary education or more, higher than the 70 percent in the Findex 2025 survey, and 60 percent were between 26 and 45 years of age. 50 percent of interviewed respondents were female, and 50 percent urban (comparing to 49 percent female and 39 percent urban DFS users in Findex).

2. **Smartphone usage:** 72 percent of respondents use smartphones as their primary phone, with higher usage among male, urban, higher educated, younger, more financially literate, and less poor consumers.

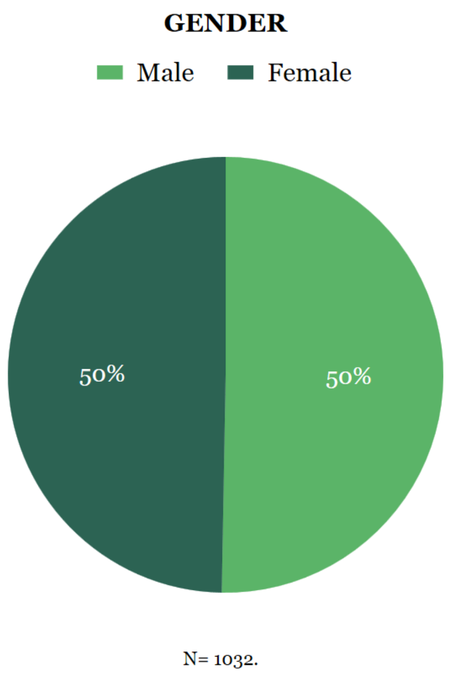
3. **SIM card registration:** 26 percent of respondents used SIM cards not registered in their name, down from 34 percent in 2021. Younger adults, higher educated, and female respondents were more likely to use SIM cards registered in someone else's name.

4. **Security vulnerabilities:** Nearly 30 percent of DFS users did not have a PIN or password on their phone to protect their accounts. 45 percent of those with PIN/passwords shared them with others, typically spouses or household members.

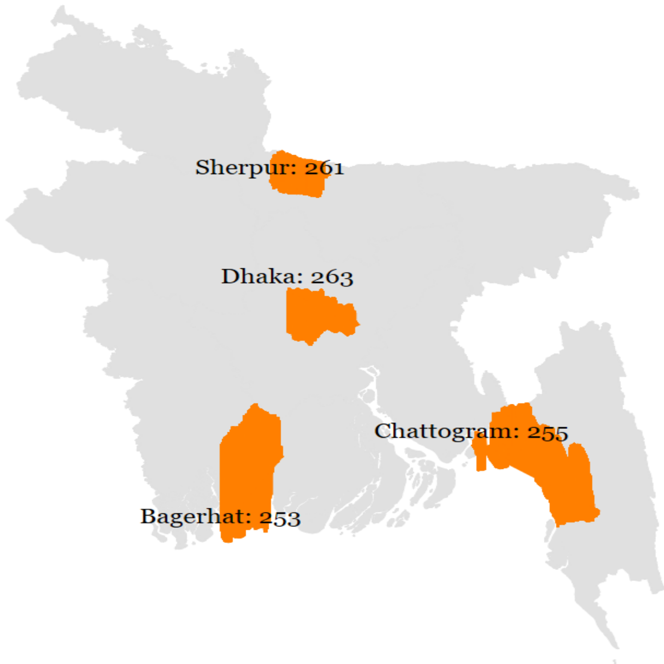
By design, our sample is balanced by gender and urbanicity.

We surveyed a total of 1,032 DFS users in Bangladesh.

Our survey sampled equal shares of men and women.



We surveyed 517 respondents in the two biggest cities, Dhaka and Chattogram, and another 515 in two randomly selected rural districts, Sherpur and Bagherat.

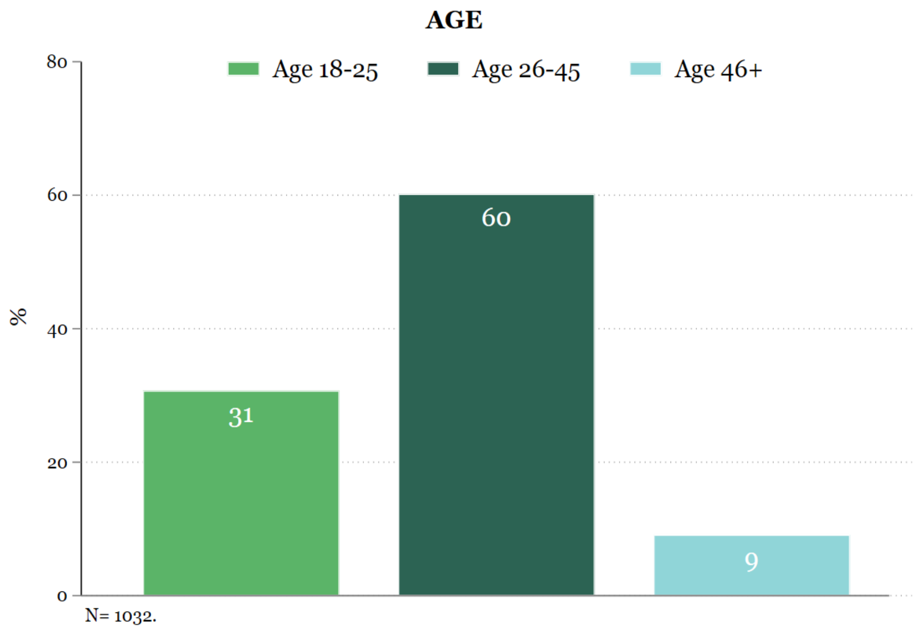


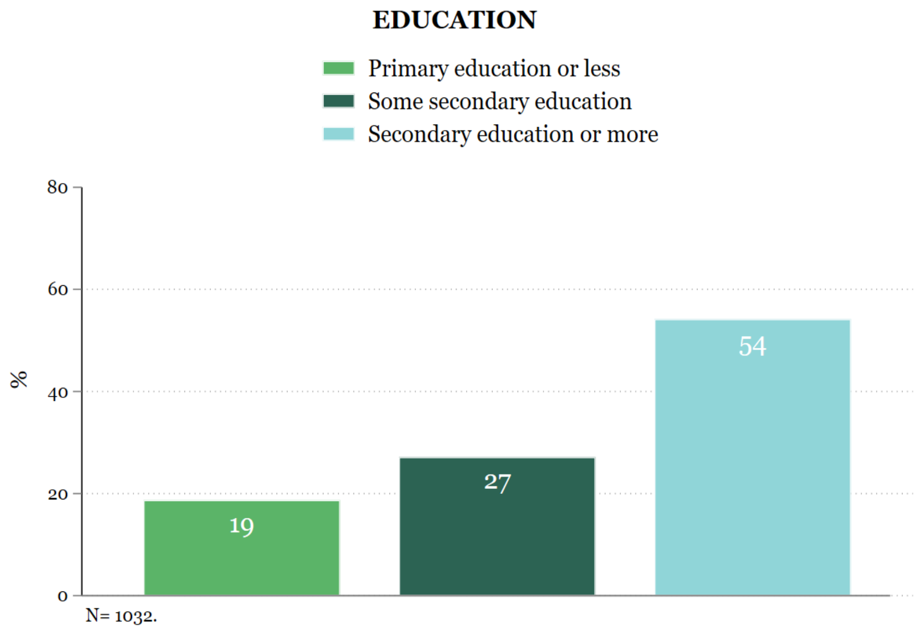
This compares to 45 percent female and 39 percent urban DFS consumers nationally in the Findex 2025 survey.

AGE AND EDUCATION

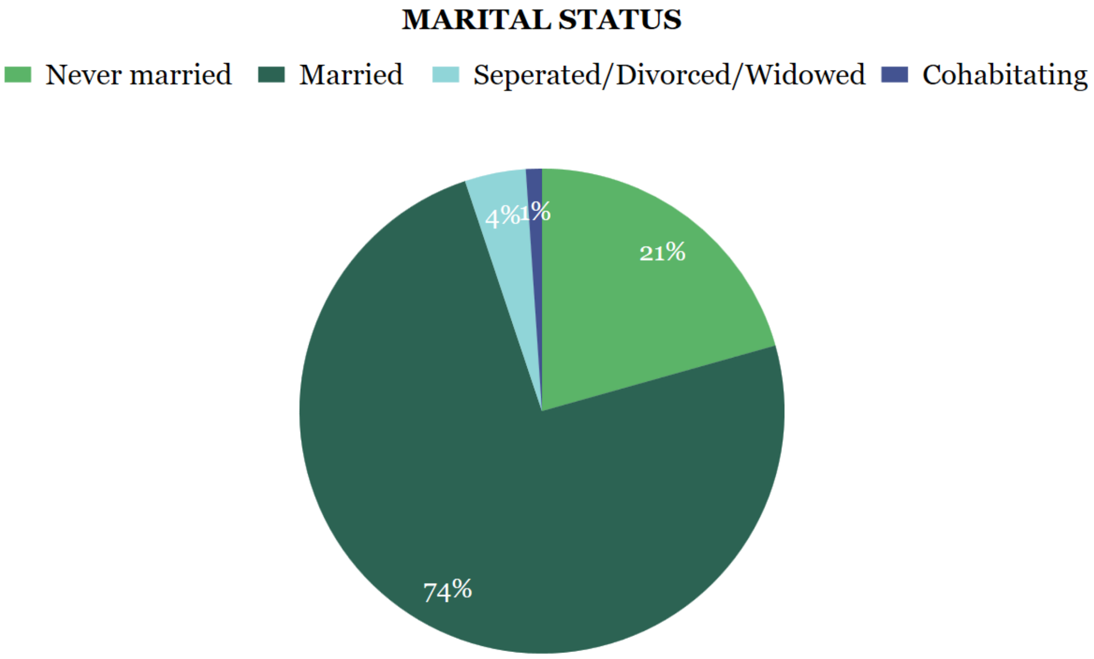
Surveyed DFS users are primarily middle-aged adults with at least some secondary education.

81 percent had some secondary education or more, a higher share than the 70 percent in the Findex data.

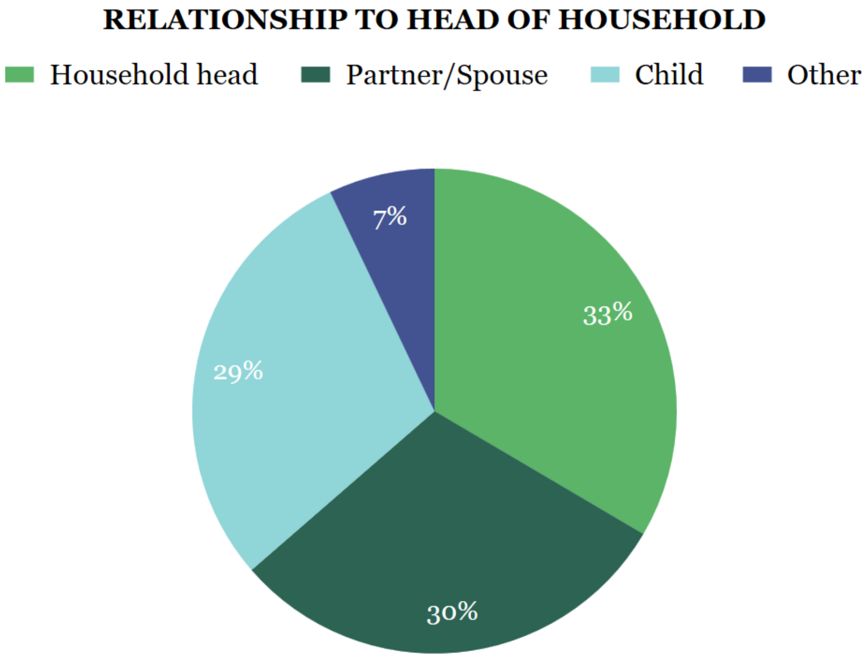




The majority of surveyed DFS users were married, and most were the household head or their partner.



N= 1032.



N= 1032. Excludes 1 don't know/refuse to answer response.

Most respondents were working and employed in the private sector.

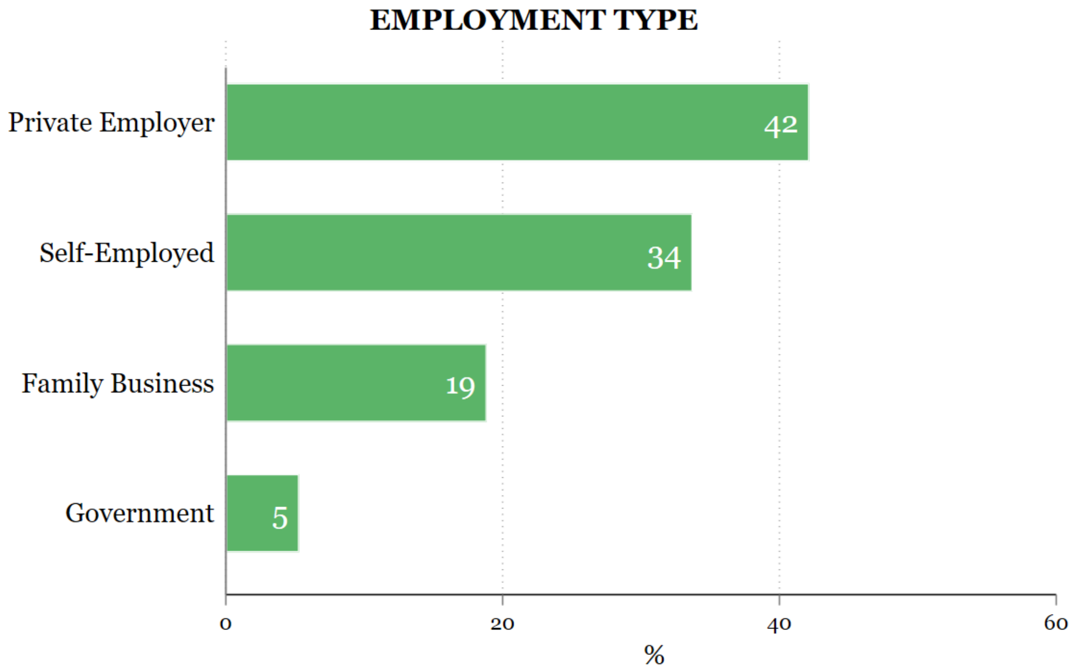
62 percent of respondents were working at least 20 hours a week.

Of those working for an employer,

33 percent
had received wages into an account at a bank or similar financial institution.

22 percent
had received wages through their phone.

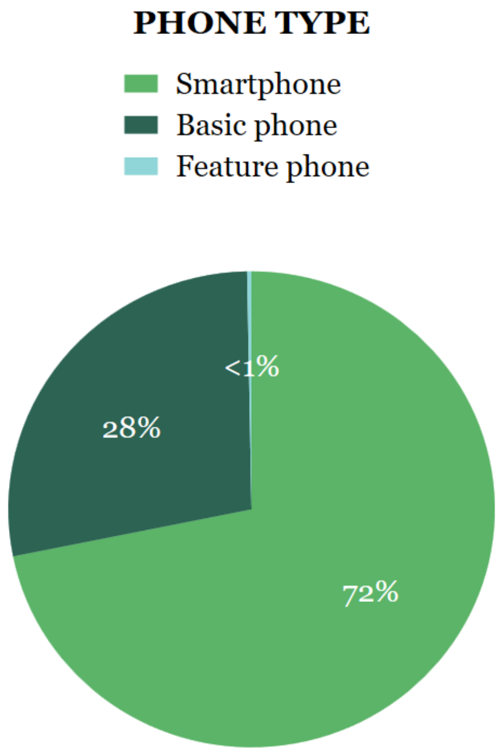
42 percent worked for a private employer. Among all workers, 31 percent worked at a formally registered business.



N= 639. Excludes 34 don't know/refuse to answer responses.

PHONE USAGE

The majority of respondents use smartphones.



N= 1026.

63 percent of typical DFS users in the Findex 2025 survey owned a smartphone.

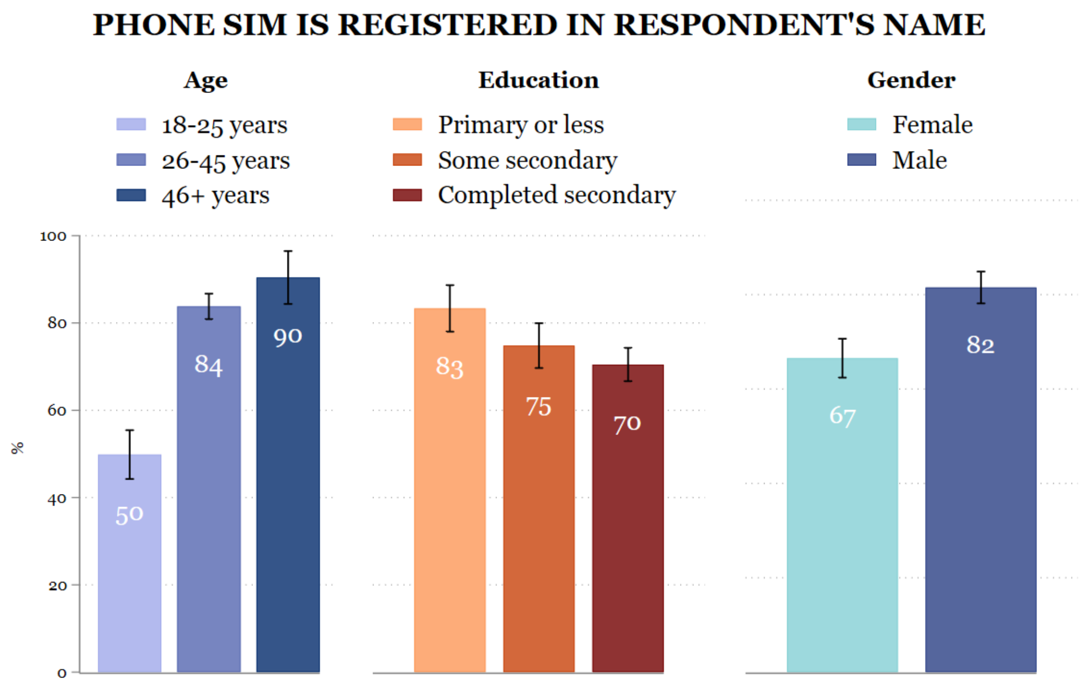
Male, urban, higher educated, younger, more financially literate, and less poor respondents were more likely to use a smartphone as their primary phone.

SIM cards were frequently not registered in the respondent's name.

26 percent said the SIM card they used was not registered in their name.

Younger adults, higher educated, and female respondents were more likely to use phones registered in someone else's name.

The share is lower than it was in 2021*, when 34 percent of consumers used SIM cards not registered in their name.



N= 1022. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

*The 2021 survey conducted by IPA interviewed active DFS consumers in Bangladesh by phone.

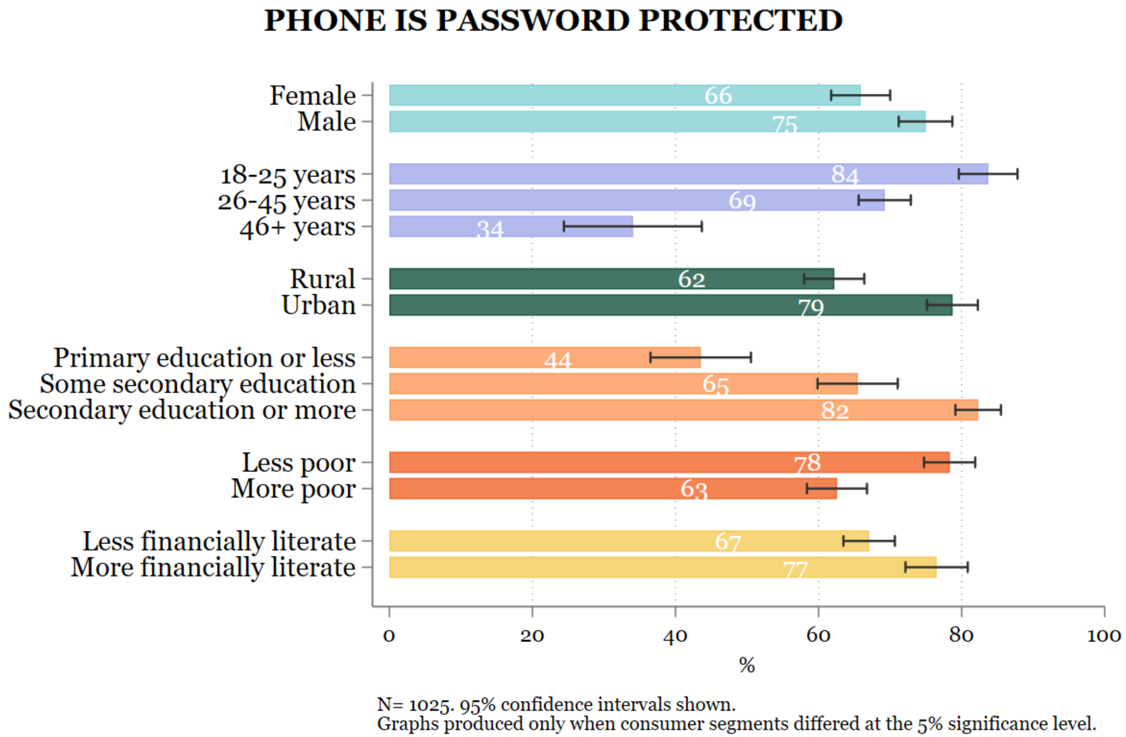
PHONE USAGE

Almost 30 percent of DFS users did not have a PIN or password on their phone to protect their accounts.

Women, older adults, rural, less educated, more poor, and less financially literate respondents were less likely to have password protected phones.

Among respondents who had a PIN or password,
24 percent did not know how to change it.

Female, rural, less educated, more poor, and less financially literate respondents were less likely to know how to change their PIN.



PHONE USAGE

A fifth of consumers share their phone with someone else, and women are more than twice as likely to share their PIN or password than men.

When respondents shared passwords, it was typically with their spouse/partner or another household member. Female, rural, less educated, more poor, and less financially literate respondents were more likely to say that someone else knew their PIN or password.

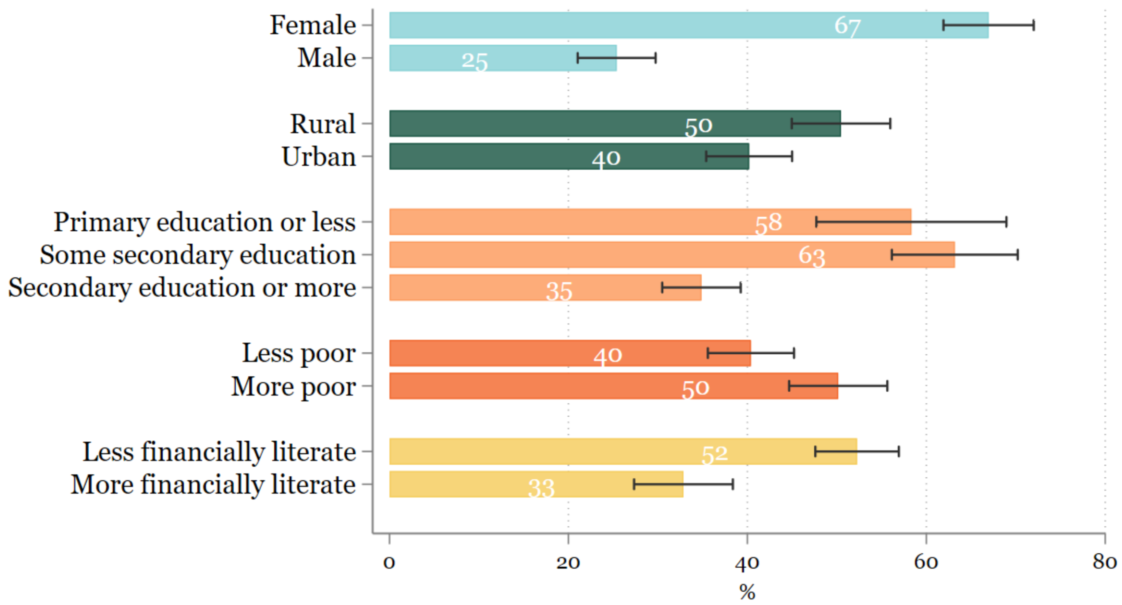
20%

shared their phone with someone else.

45%

of PIN/password users said that someone else knew their PIN or password

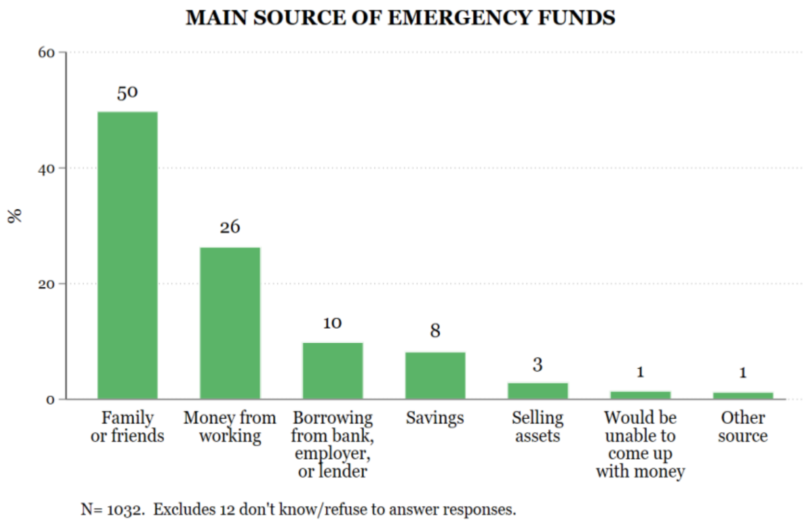
SOMEONE ELSE KNOWS PHONE PIN OR PASSWORD



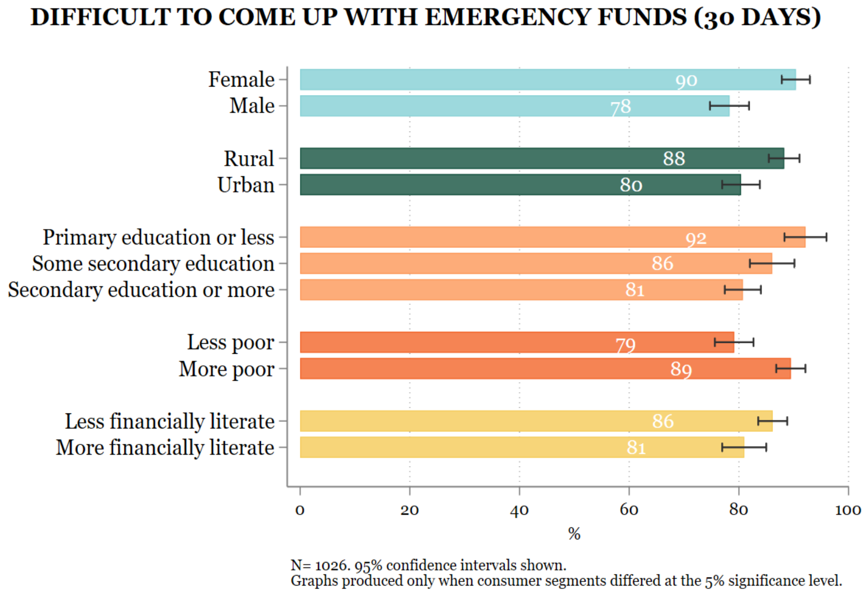
N= 722. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

The vast majority find it difficult to meet a basic financial health benchmark: accessing funds equal to 1/20th of GNI per capita within 30 days in an emergency.

84 percent of respondents had difficulties coming up with emergency funds equivalent to 1/20th GNI per capita (USD 122) within a month, and 93 percent found it difficult to do so within a week.



Female, less financially literate, and socioeconomically disadvantaged consumers were most vulnerable to financial emergencies.



In Bangladesh, USD 122 or BDT 15030 is equal to 1/20th of GNI per capita. The questions are taken from IPA's Financial Health Survey (2020)

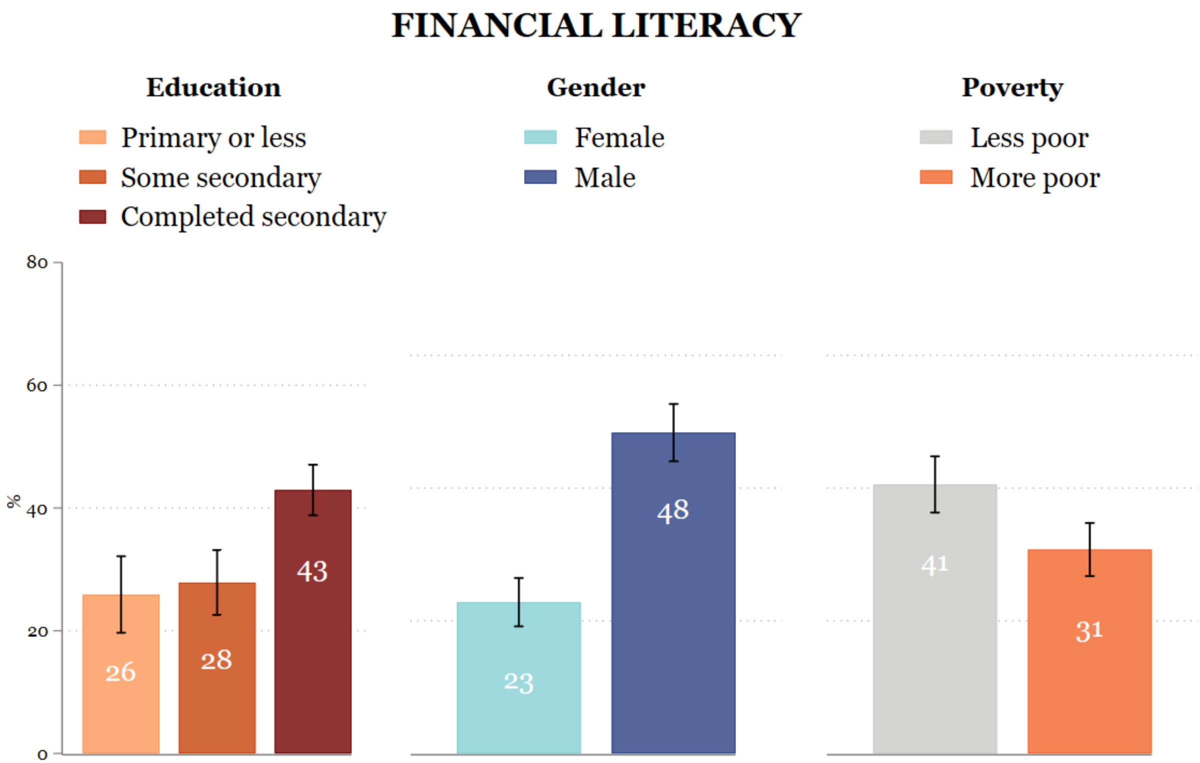
Financial Literacy.

In our study we relied on Standard & Poor's global financial literacy survey which is the world's largest global measurement of financial literacy. This measure probes knowledge of four basic financial concepts: risk diversification, inflation, numeracy, and interest compounding.

A person is considered financially literate if they answer three out of the four questions correctly.

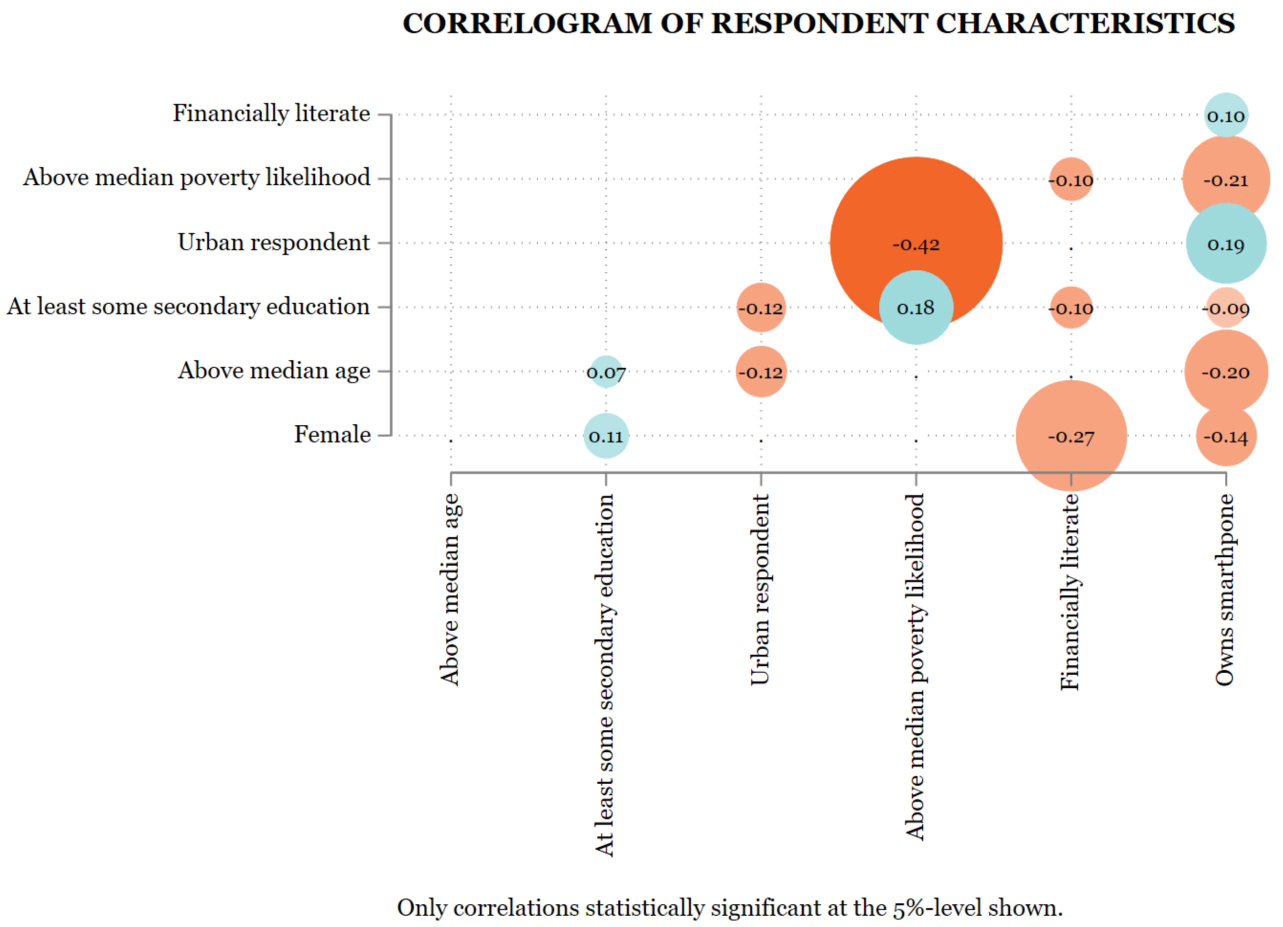
In our sample, 36 percent of respondents were financially literate.

Financial literacy is correlated with education, gender, and poverty.



N= 1032. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

Several key demographic characteristics of our sample are correlated.



Stronger relationships are shown as larger circles, in light blue for positive correlations and red for negative correlations.

Urbanicity, poverty, financial literacy, and smartphone ownership are most correlated.

Digital Financial Services Usage and Consumer Choice

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Key Findings

1. **Services used:** Mobile money and DFS agents are the most used services overall, used by 89 percent and 83 percent of consumers respectively, with 25 percent using mobile banking. Mobile loans, overdrafts, buy-now-pay-later and credit cards are rare, used by less than 7 percent of respondents.

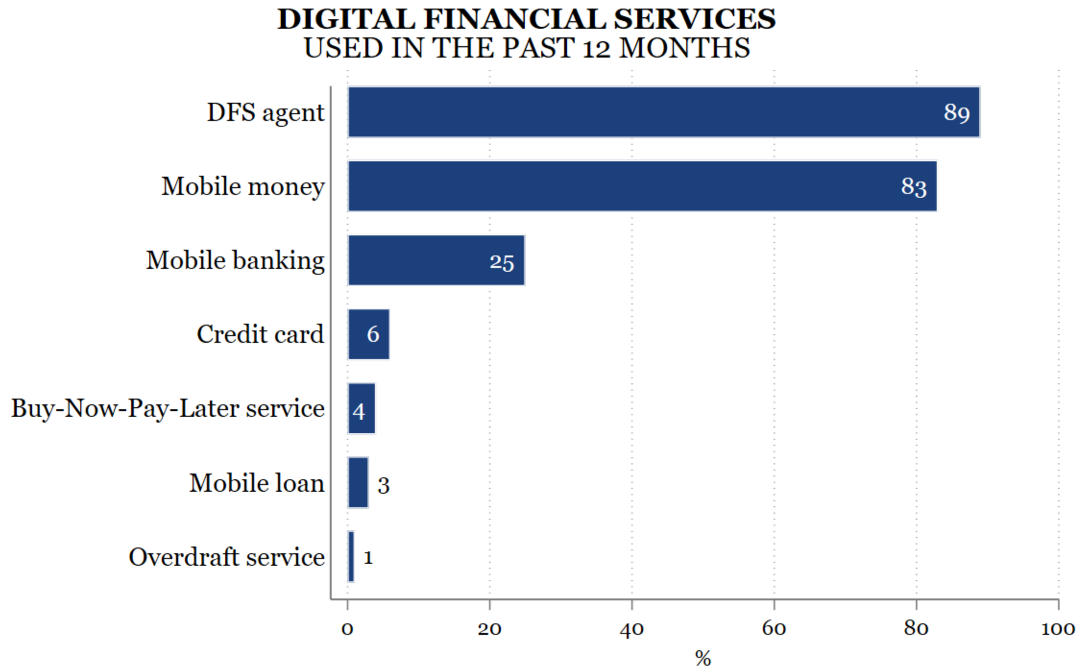
2. **Provider concentration:** Two mobile money providers account for 75 percent of the market. 97 percent of users had only used one mobile loan provider, while only 18 percent had used just one agent.

3. **Comparing prices:** Between 21 percent and 33 percent of consumers compared prices depending on the service used, with 15 percent of payment services users and 18 percent of loan users finding it somewhat or very difficult to compare prices.

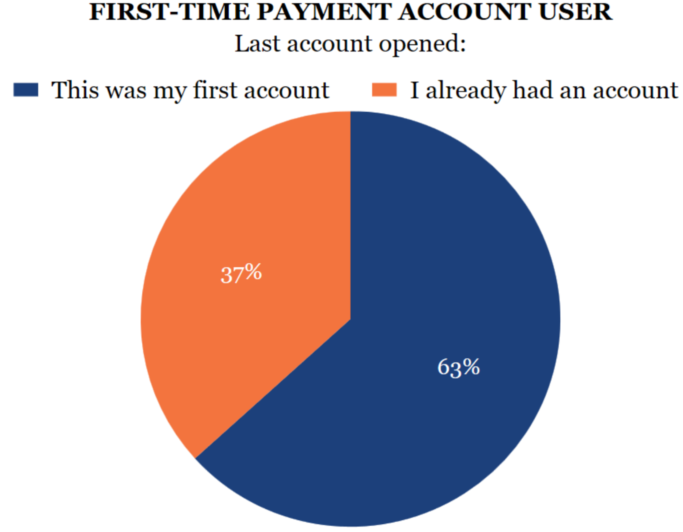
4. **Stopped using a service:** 25 percent had stopped using of a payment service provider (primarily due to no longer needing the service, or account problems), and 29 percent had stopped using an agent (mostly due to distance, poor customer service, or agents going out of business).

Among DFS users, mobile money and agents are the most used services.

Mobile money and agents were each used by over 80 percent of DFS users. Mobile banking is much less common, used by 25 percent of DFS users. Credit services, including mobile loans, overdraft, buy-now-pay-later (BNPL) and credit cards are relatively uncommon.



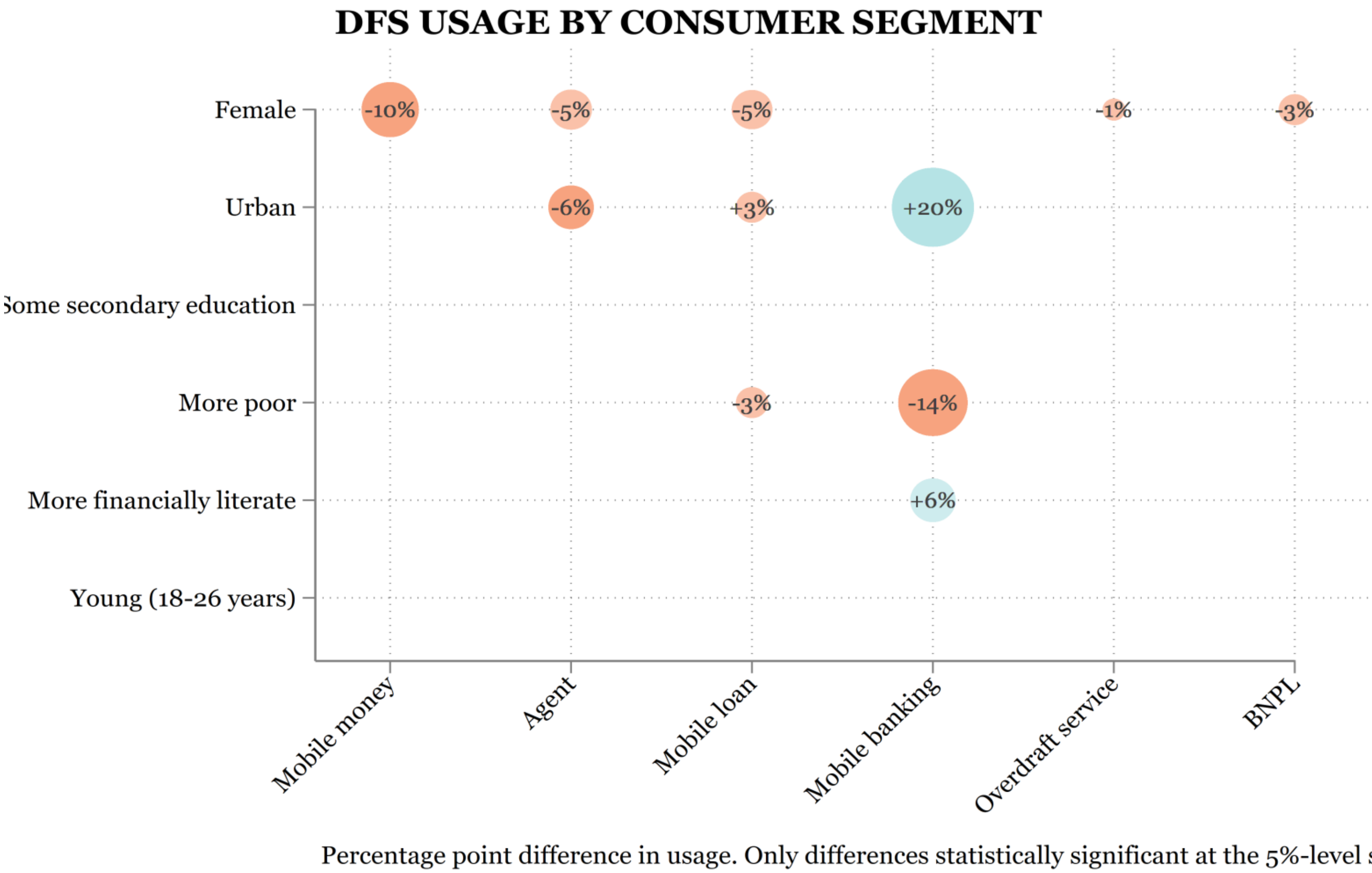
N= 1032. Excludes 23 don't know response.



N= 1004. Excludes 7 don't know/refuse to answer responses.

The type of services used differed by consumer segment.

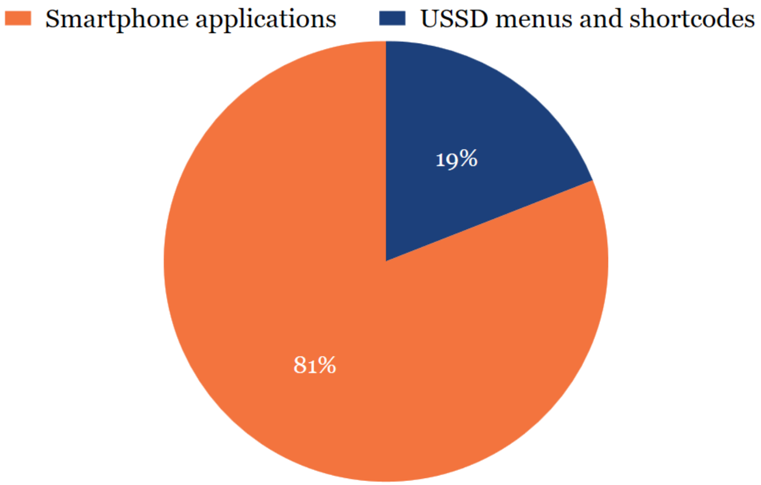
Urban and more financially literate consumers tended to use banking to a greater extent.



The majority of smartphone users preferred apps over USSD menus for digital transactions.

Mobile banking users were more likely to prefer apps.

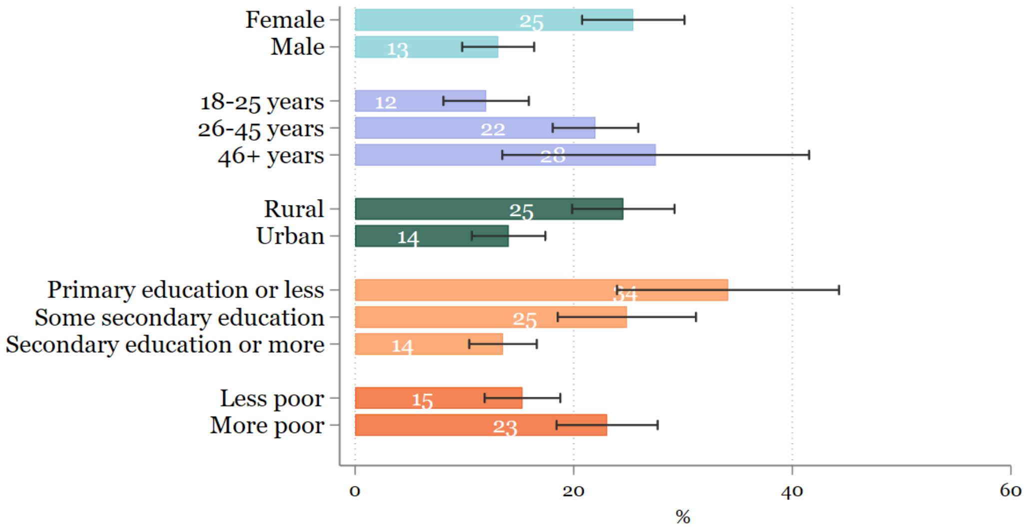
PREFERENCES FOR USSD AND APPS
Smartphone user prefers:



N= 739. Excludes 13 don't know/refuse to answer responses.

Female, middle-aged, rural, less educated and poorer smartphone users were more likely to prefer USSD menus.

PREFERS USSD MENUS OVER APPS



N= 739. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

DFS consumers use multiple agents, and have typically used one payment service provider.

NUMBER OF DIFFERENT PROVIDERS OR AGENTS USED
LAST 12 MONTHS

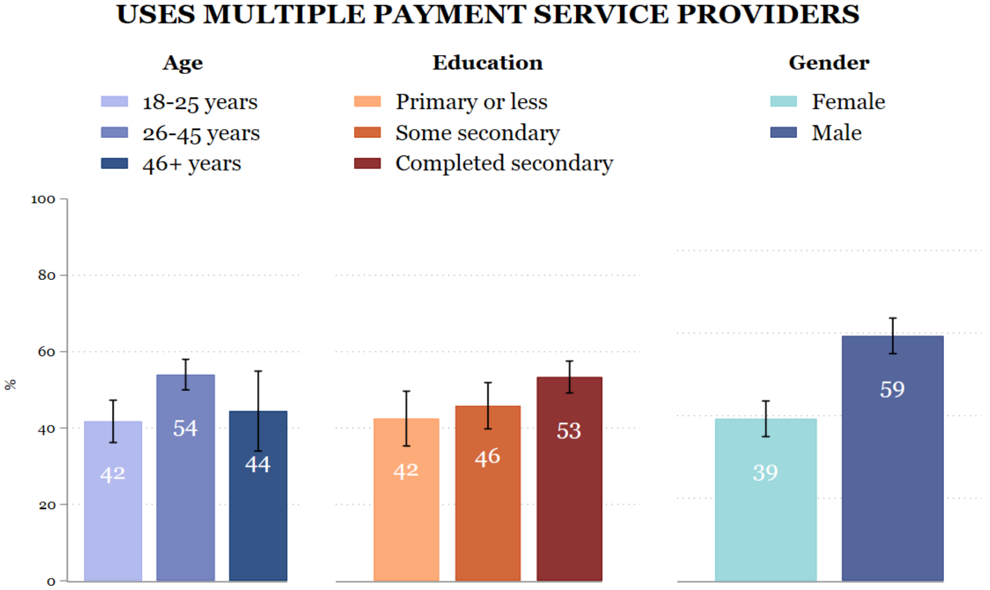
Payment services: N= 1004, Mobile loans: N= 35, Agents: N= 917

51 percent had only used one payment services provider, 97 percent had only used one mobile loan provider, and 18 percent had only used one agent.

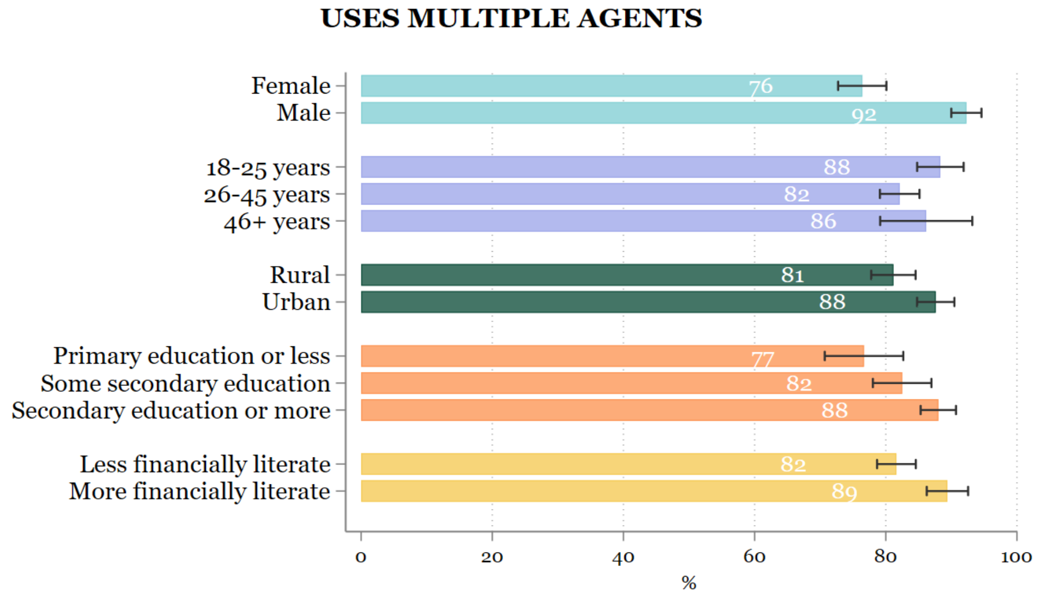
Urban respondents used more agents than rural respondents, averaging 5.3 compared to 3.8 agents (with a median of 4 compared to 3).

Male, middle-aged, and higher educated respondents used a greater number of providers on average.

Younger adults and male, urban, more educated and more financially literate respondents also used a greater number of agents.



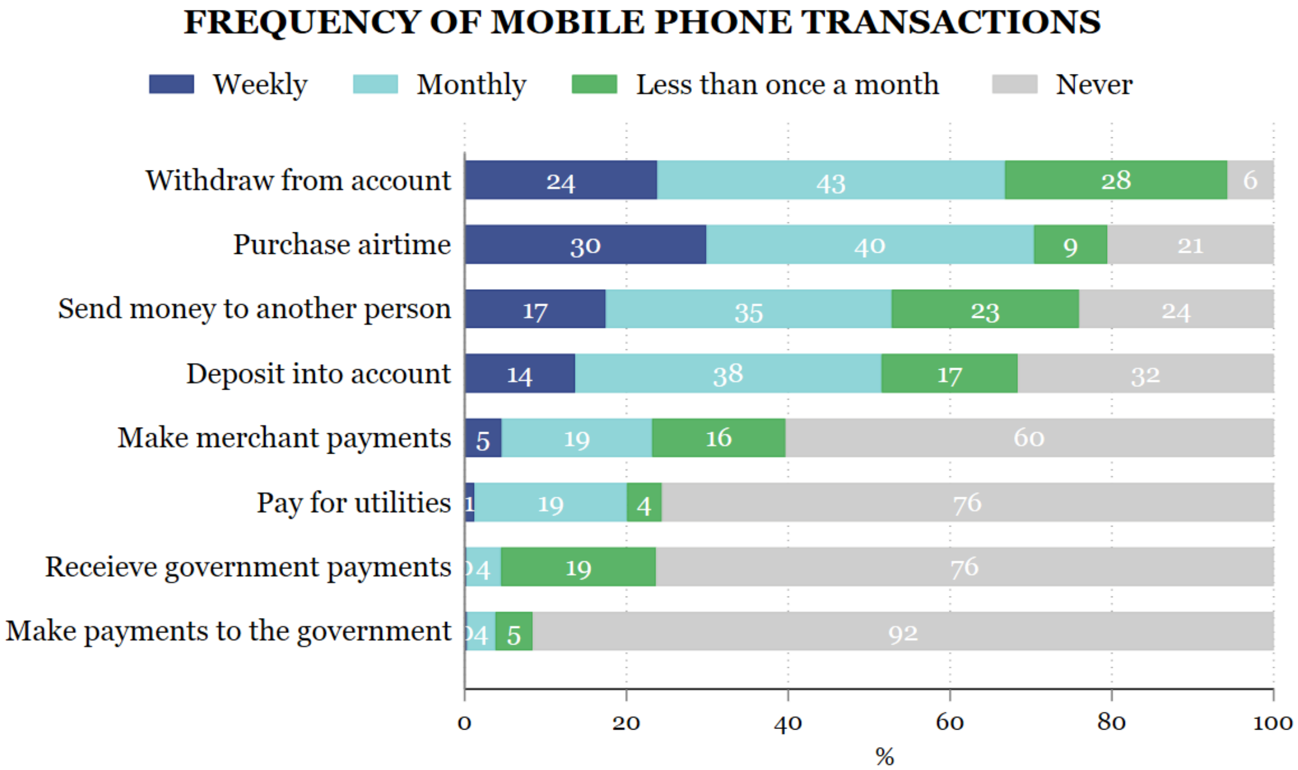
N= 1001. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.



N= 1032. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

The majority of respondents used their DFS accounts to deposit, withdraw, and send money at least monthly.

30 percent of respondents purchase airtime weekly. Payments for utilities and merchant payments remain relatively rare.

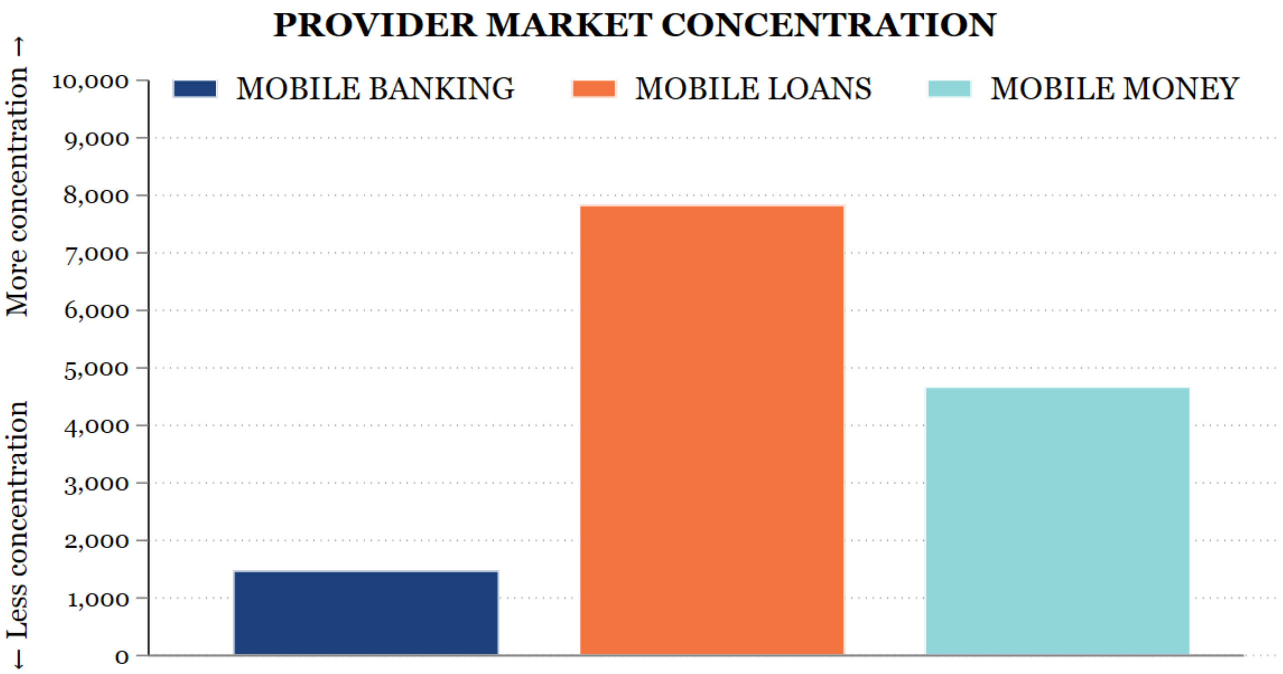


N= 1004. Excludes 25 don't know/refuse to answer responses.

PROVIDERS

Mobile money and mobile loan markets are highly concentrated.

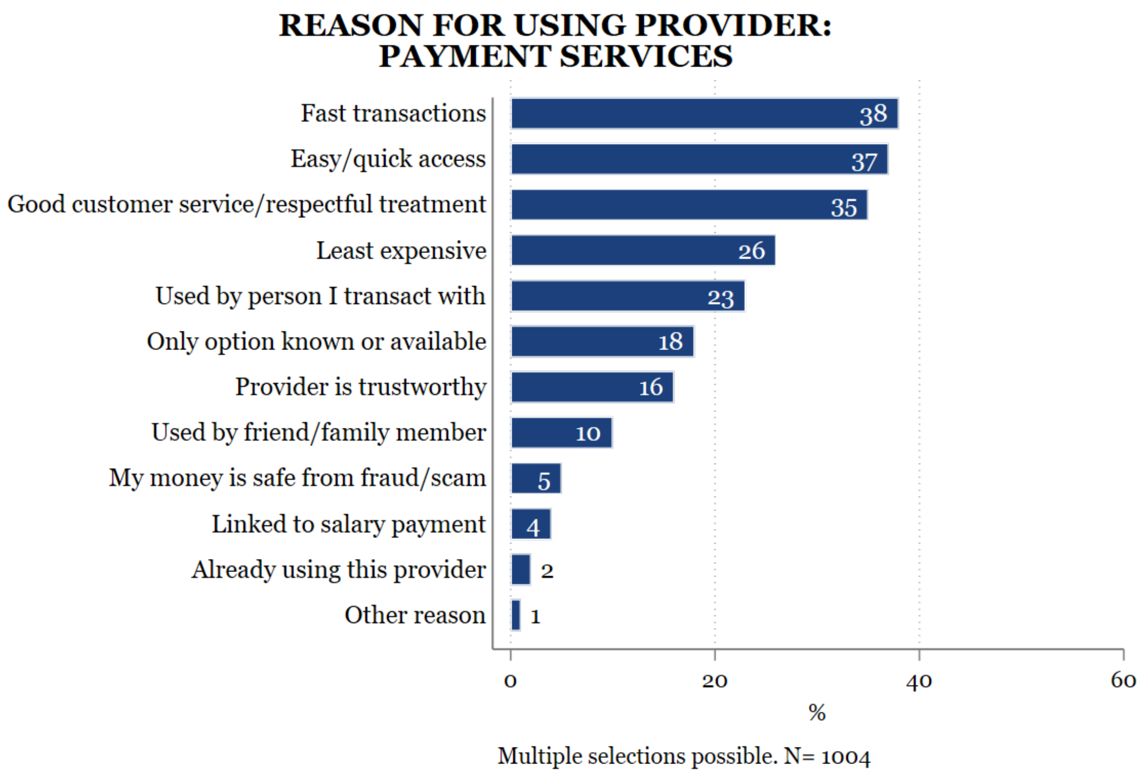
Two providers account for 75 percent of the mobile money market, while one mobile loan provider alone accounts for nearly 80 percent of the mobile loan market.



Y-axis shows the Herfindahl–Hirschman Index (HHI).
The HHI is a measure of market concentration, calculated by summing the squares of the market shares of all the financial services providers used by respondents in our data within mobile money, mobile banking, and mobile loan services, respectively. Lower values indicate less market concentration and higher values suggesting greater market concentration.

Over one third of respondents cited transition speed, ease of access or consumer experience as the main driver of their payment service provider choice.

One in four consumers cited cost as a reason for choosing their payment service provider.

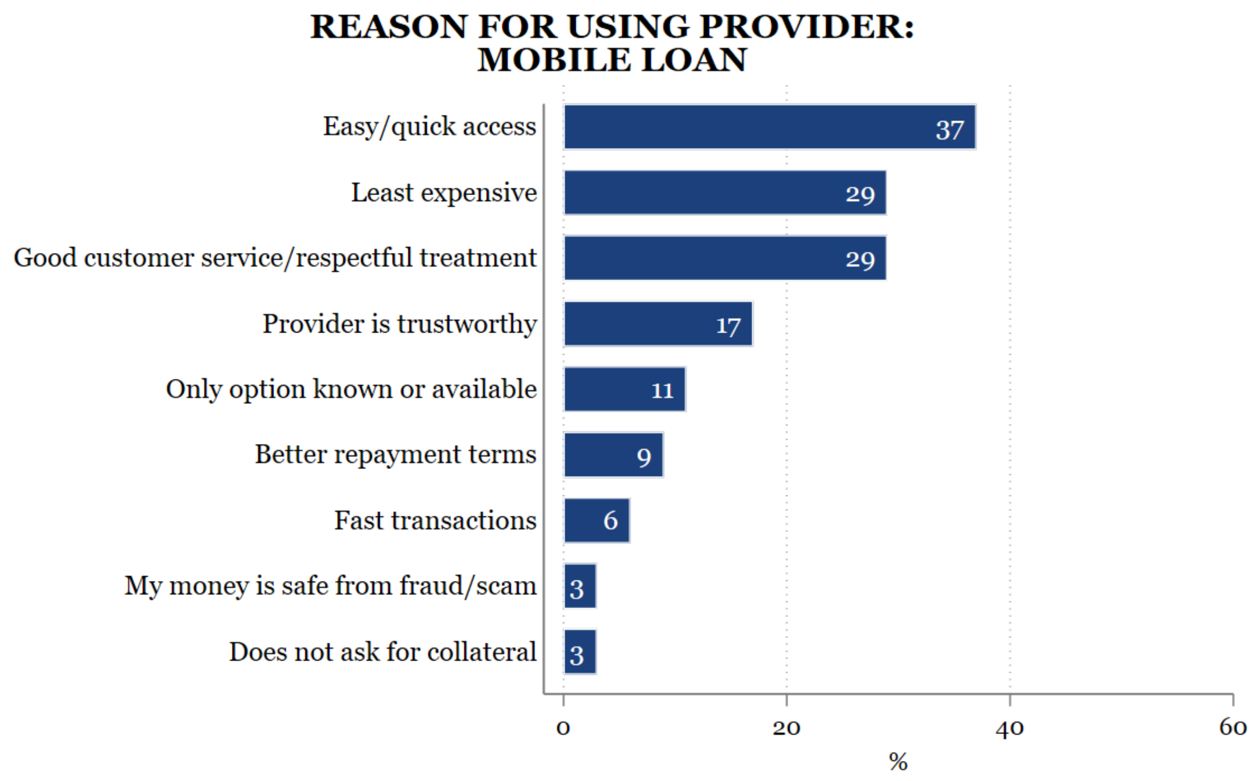


Network effects also play a significant role: consumers often choose providers recommended or used by others.

Female respondents were more likely to choose based on network effects and easy access, and less likely to mention customer experience and trust compared to male respondents.

Rural, male, more financially literate, and older adults were more likely to cite lack or knowledge of other option as a motivating factor.

Similar to payment services, the most common reason for choosing a mobile loan provider was ease of access.



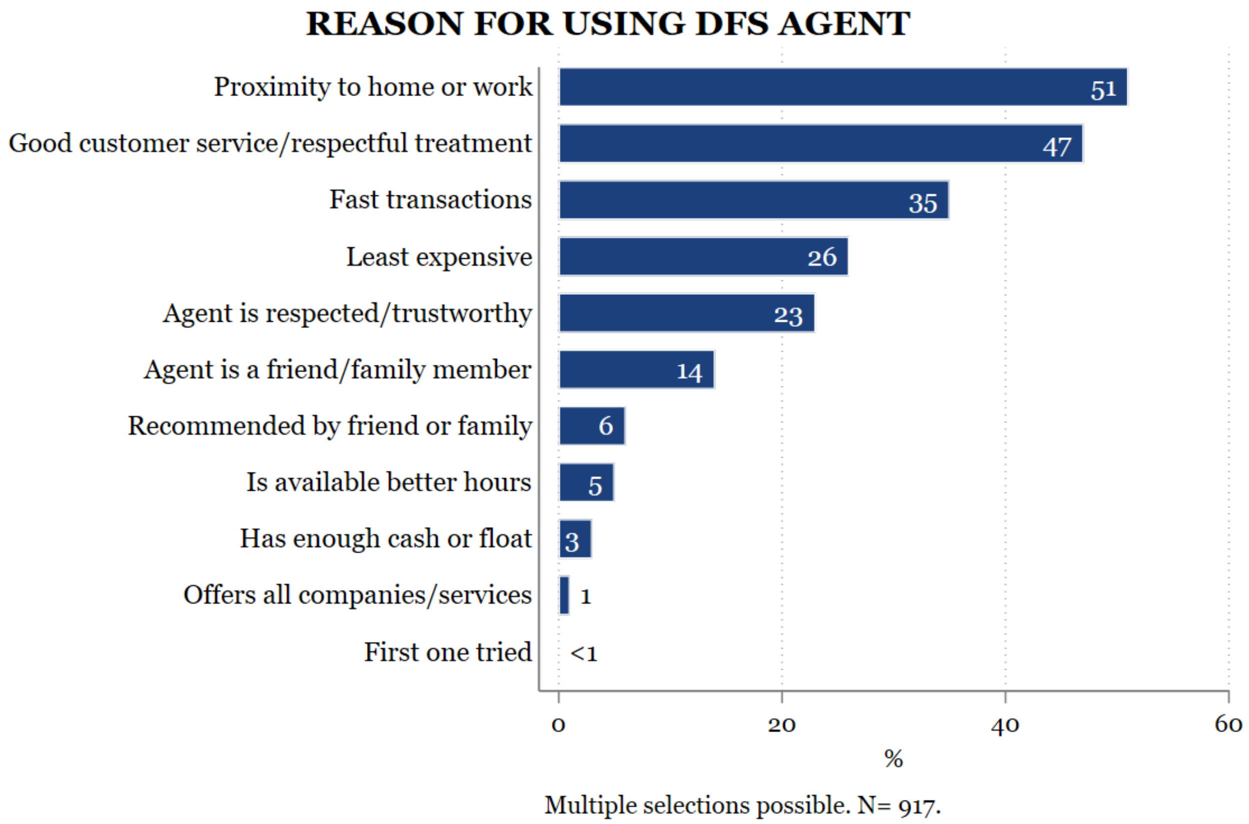
Multiple selections possible. N= 35

Both customer experience and price was mentioned by 29 percent.

Rural and middle-aged respondents were more likely to mention lack of other options known or available.

Respondents choose agents primarily based on their quality of customer service, proximity, and transaction speed.

26 percent cited cost as a reason for choosing agents. Almost a quarter of respondents said they chose agents based on trust.

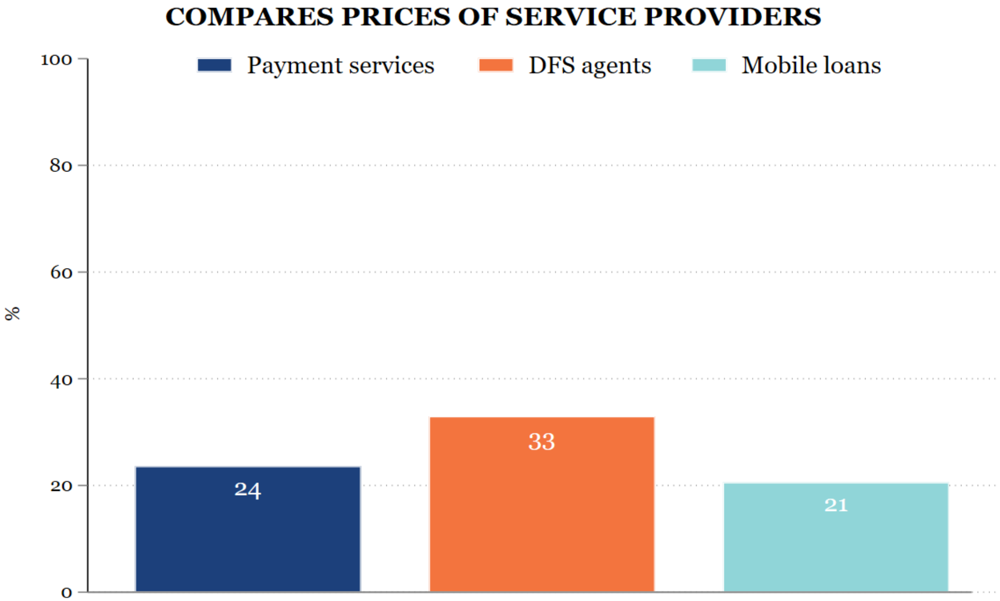


Male respondents mention price, proximity, and customer experience more often, while urban consumers are more likely to cite price and availability, and less likely to cite customer service and trust compared to rural respondents.

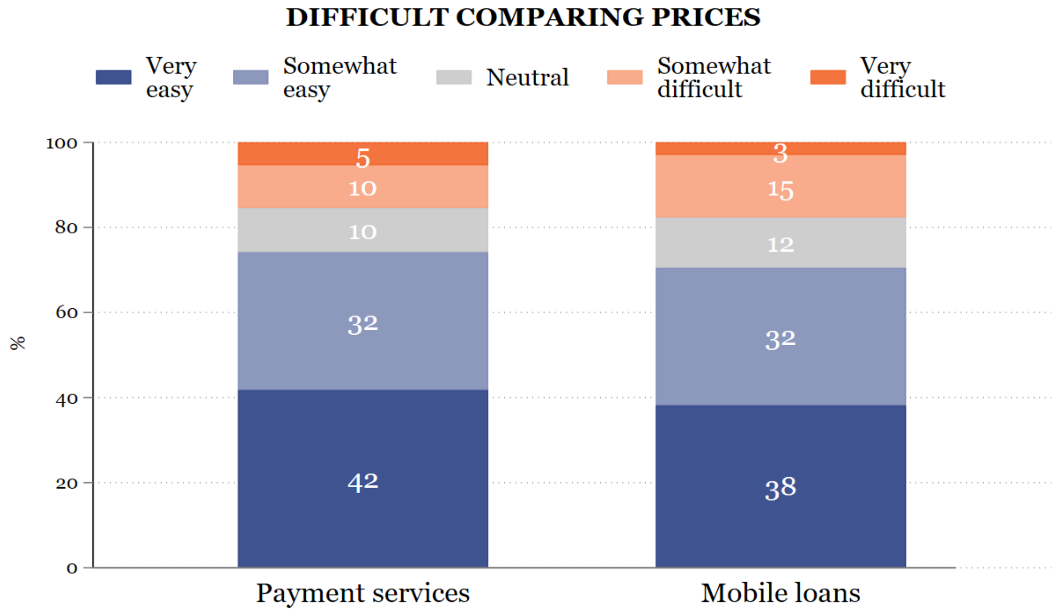
Relatively few consumers compare prices.

Between 21 and 33 percent compared prices, depending on the service used. Male, more educated, and less poor respondents were more likely to compare prices and services across different DFS.

Few cite barriers to price comparison: 17 percent of users said it was somewhat or very difficult to compare prices of payment services and mobile loans.



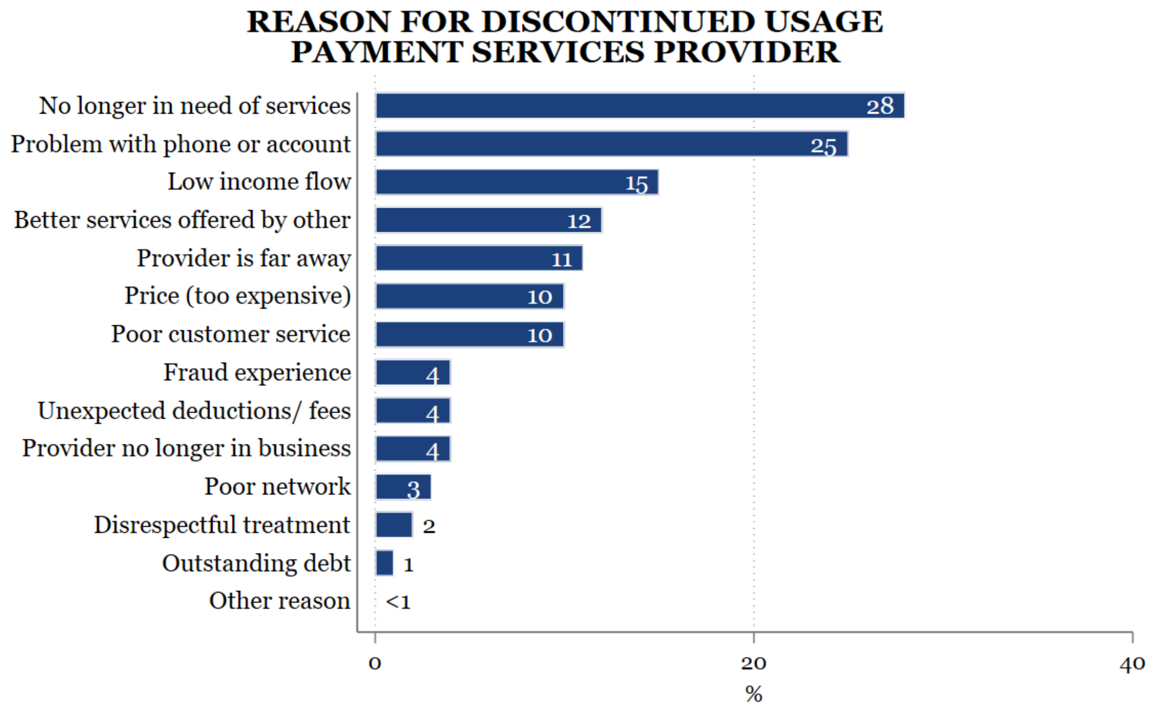
Respondents: Payment services: N= 1004, Agents: N= 917, Mobile loans: N= 35



Payment services: N= 966. Mobile loans: N= 34.
Excludes 39 don't know/refuse to answer responses across both variables.

Twenty-five percent of respondents had stopped using a payment service provider.

The majority did so because they were no longer in need of the service, or due to problems with their account, for example because they lost access to their account, forgot their password, or lost their phone or SIM card.

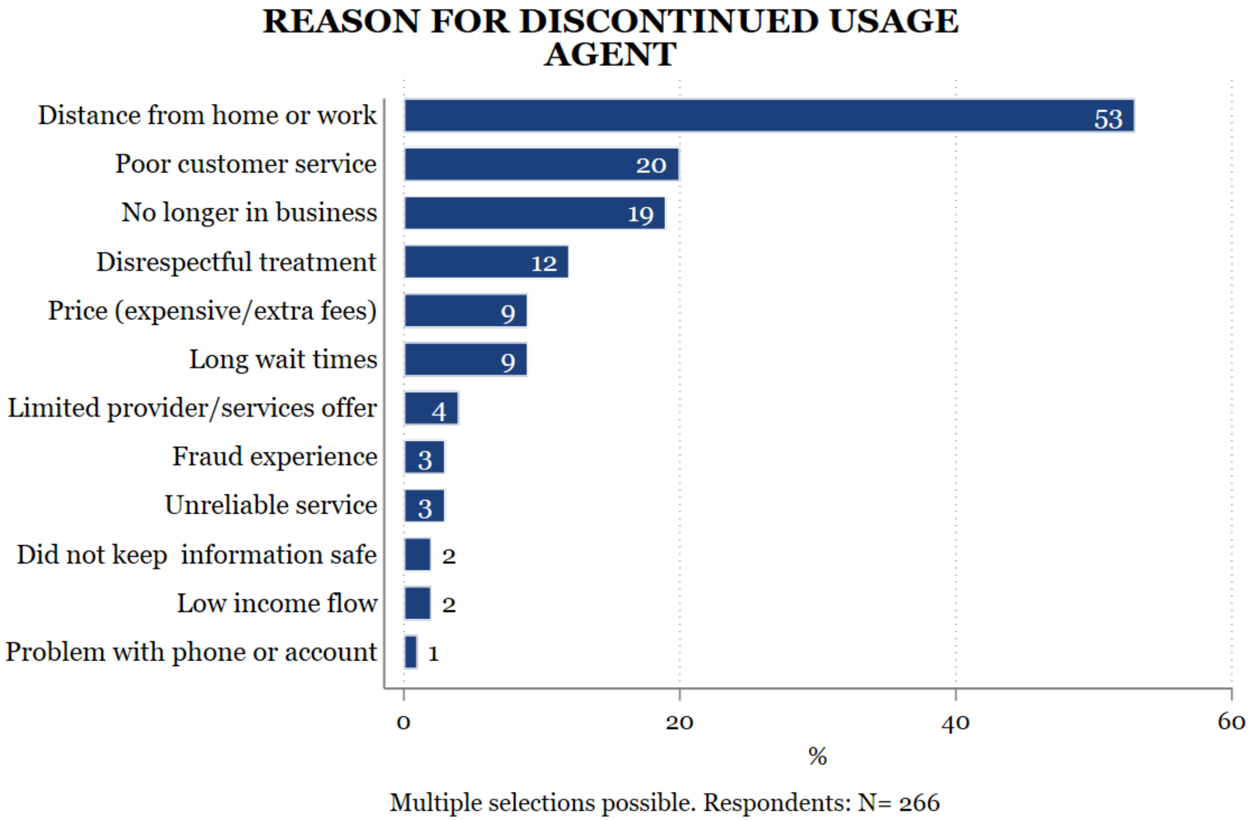


Multiple selections possible. Respondents: N= 255

Male respondents, those with some secondary education, and older adults were more likely to have stopped using a payment services provider.

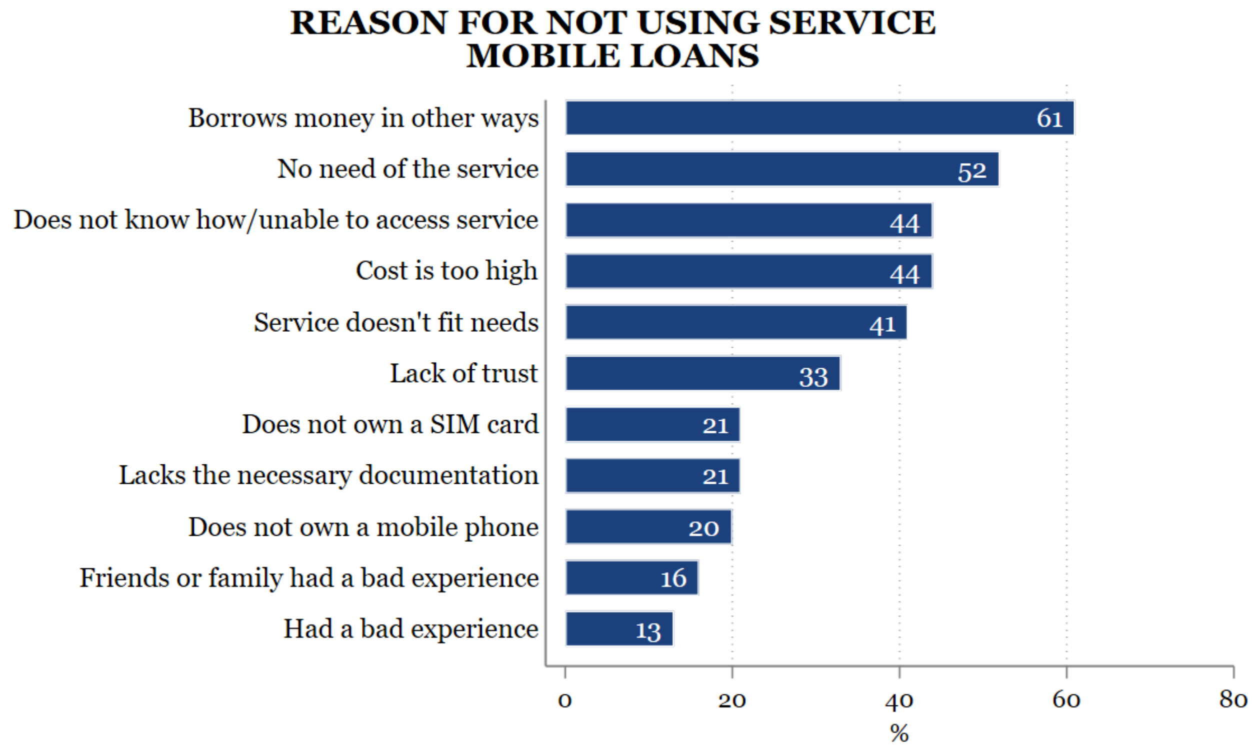
Twenty-nine percent of respondents had stopped using an agent.

Most switched agents due to distance from their home or workplace. About one fifth said their agent had gone out of business, or cited poor customer service.



Respondents cited alternative borrowing options and lack of need for the service as reasons for not using mobile loans.

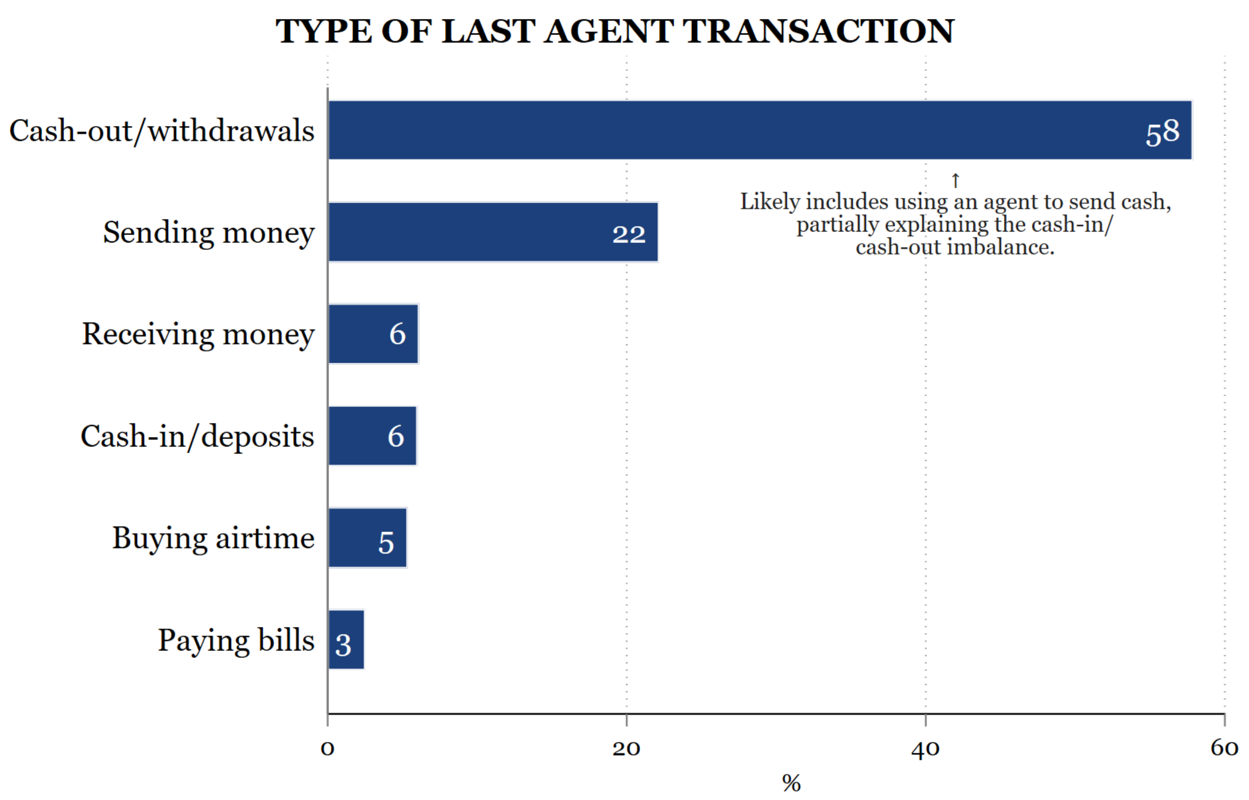
44 percent mentioned lack of access or cost, and 41 percent said the service did not fit their needs.



Multiple selections possible. Respondents: N= 989.
Excludes 11 don't know/refuse to answer responses.

Less educated, poorer, rural, and older adults were more likely to cite lack of access or knowledge of the service. Male and less educated respondents mentioned lack of trust to a greater extent. Male and urban consumers were more likely to say that they lacked the necessary documentation to borrow.

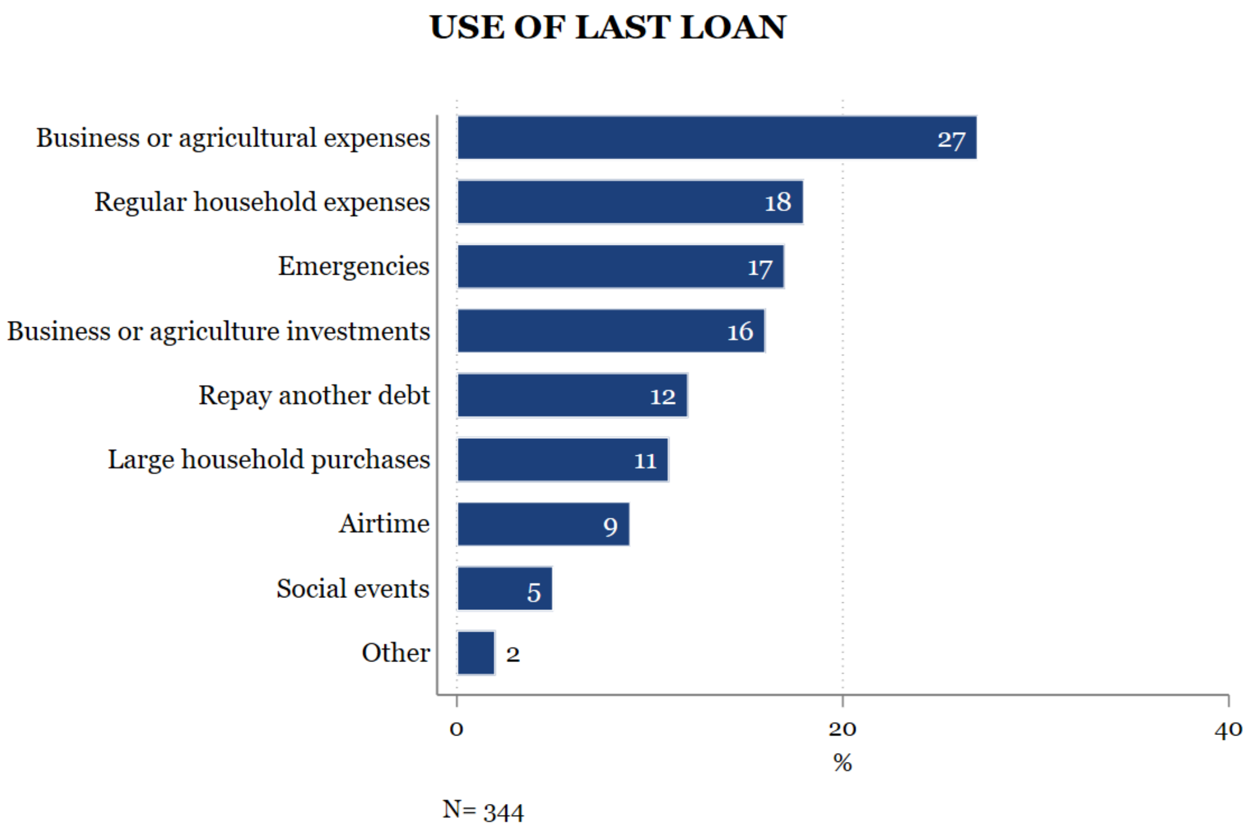
DFS users primarily rely on agents for cash-out services.



N= 917. Excludes 1 don't know/refuse to answer response.

Thirty-three percent of DFS users had borrowed money from any source in the past 12 months.

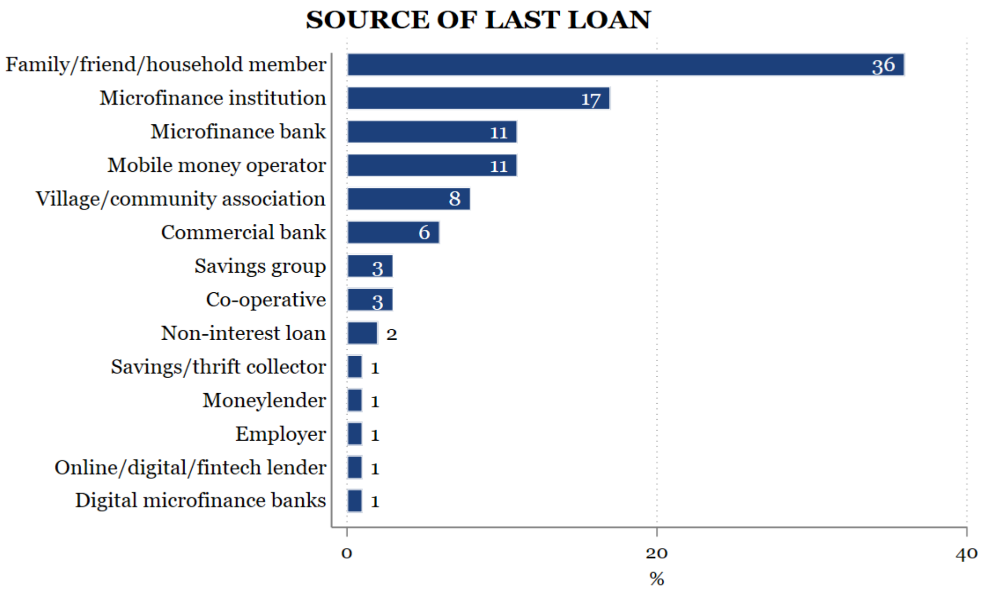
Loans were more commonly used for business or agricultural expenses. 16 percent used them for business or agricultural investments.



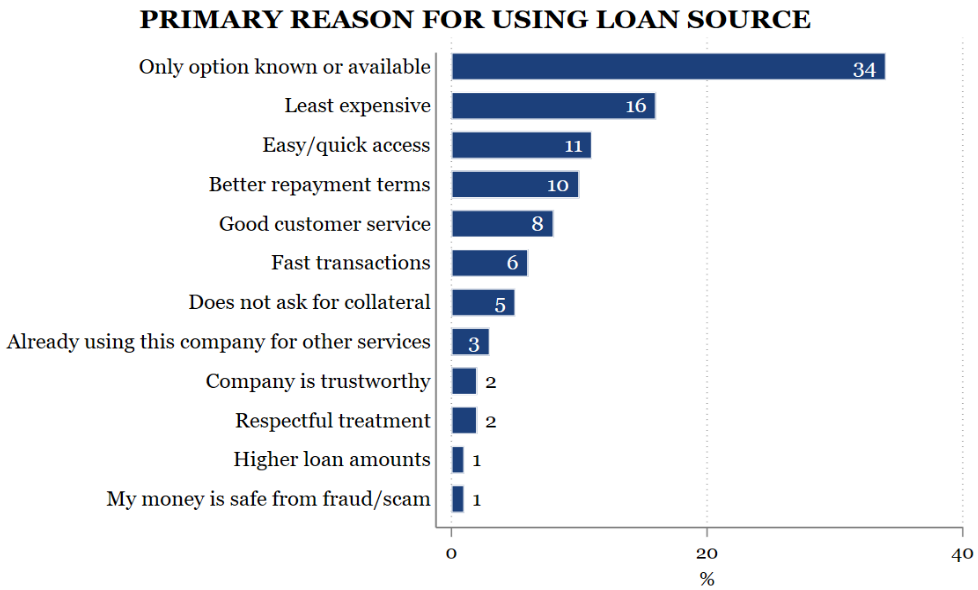
Regular household expenses and emergencies were also common uses of loans.

Respondents mainly borrowed from their social network, and said they did so because of a lack of other options.

Only 11 percent of borrowing was done through mobile network operators. 35 percent of most recent loans came from a microfinance or commercial bank.



N= 344. Excludes 14 don't know/refuse to anser response.

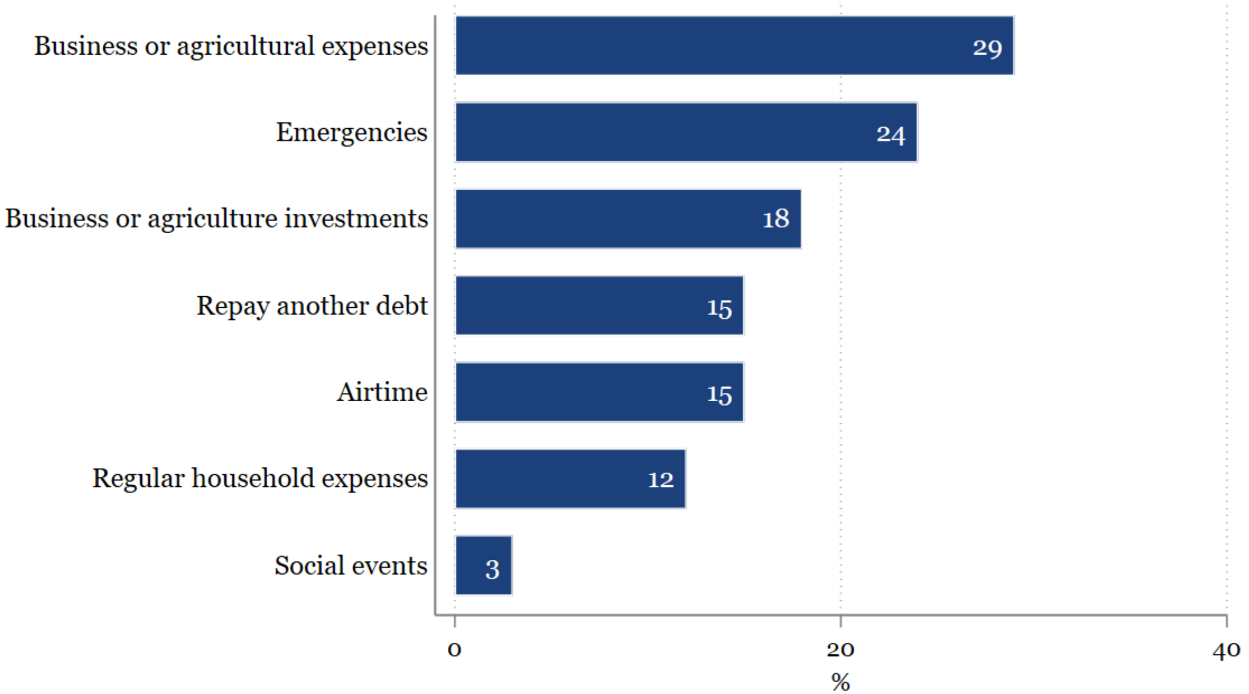


N= 344. Excludes 12 don't know/refuse to anser response.

Mobile loans are mostly used for business expenses, and 18 percent used it for business investments.

24 percent used it to cover for emergencies, and 15 percent to repay other debt.

USE OF LAST MOBILE LOAN

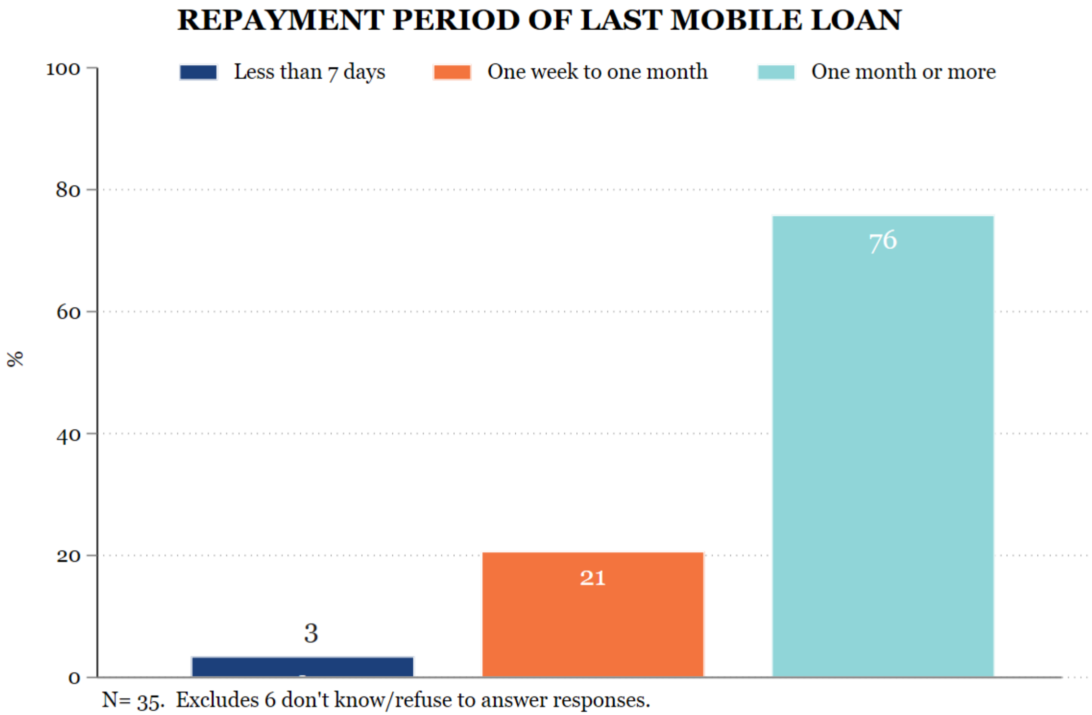


Multiple selections possible. Respondents: N= 34.
Excludes 11 don't know/refuse to answer responses.

Mobile loans typically have a repayment period of one month or longer.

$147.40*
Mean amount of last mobile loan

$16.28
Median amount of last mobile loan



*Note: Mean value is winsorized at the 95th percentile (standard for all monetary values in this report). Winsorizing at the 90th percentile yields a mean of $77.81.

Early repayment is common, but it doesn't usually reduce fees.

Most mobile loan users repaid their loans through manual rather than automatic payments.

82 percent

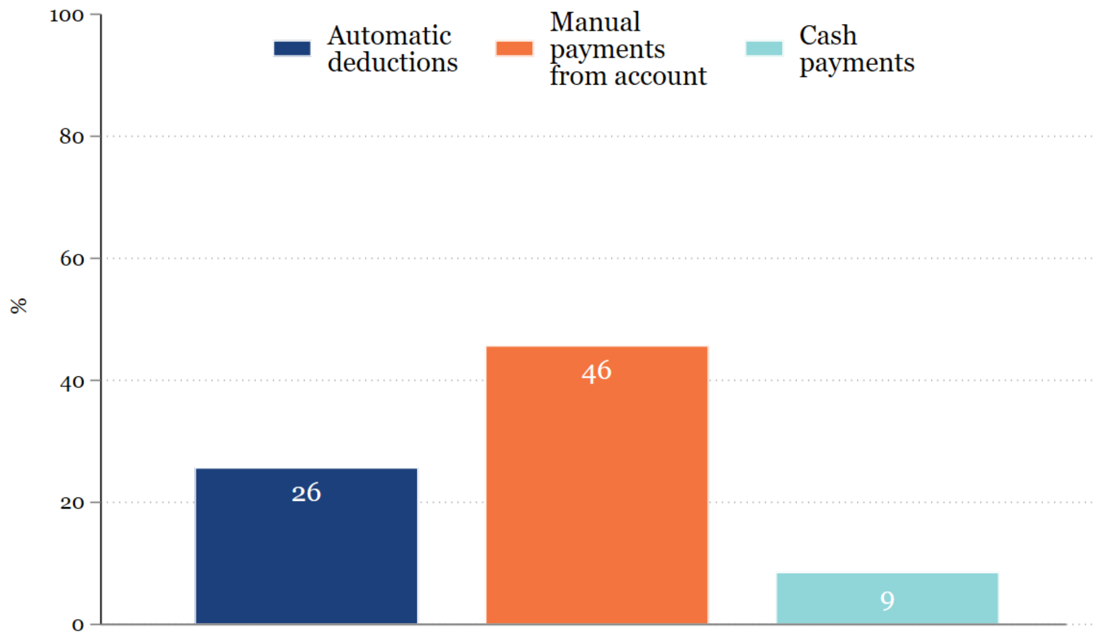
of loan users repaid their last loan before the due date.

Amongst those that did,

43 percent

reported paying less in fees or interest because of it.

MOBILE LOAN REPAYMENT MODE



N= 35. Excludes 1 don't know/refuse to answer responses.

Challenges and Risks

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Key Findings

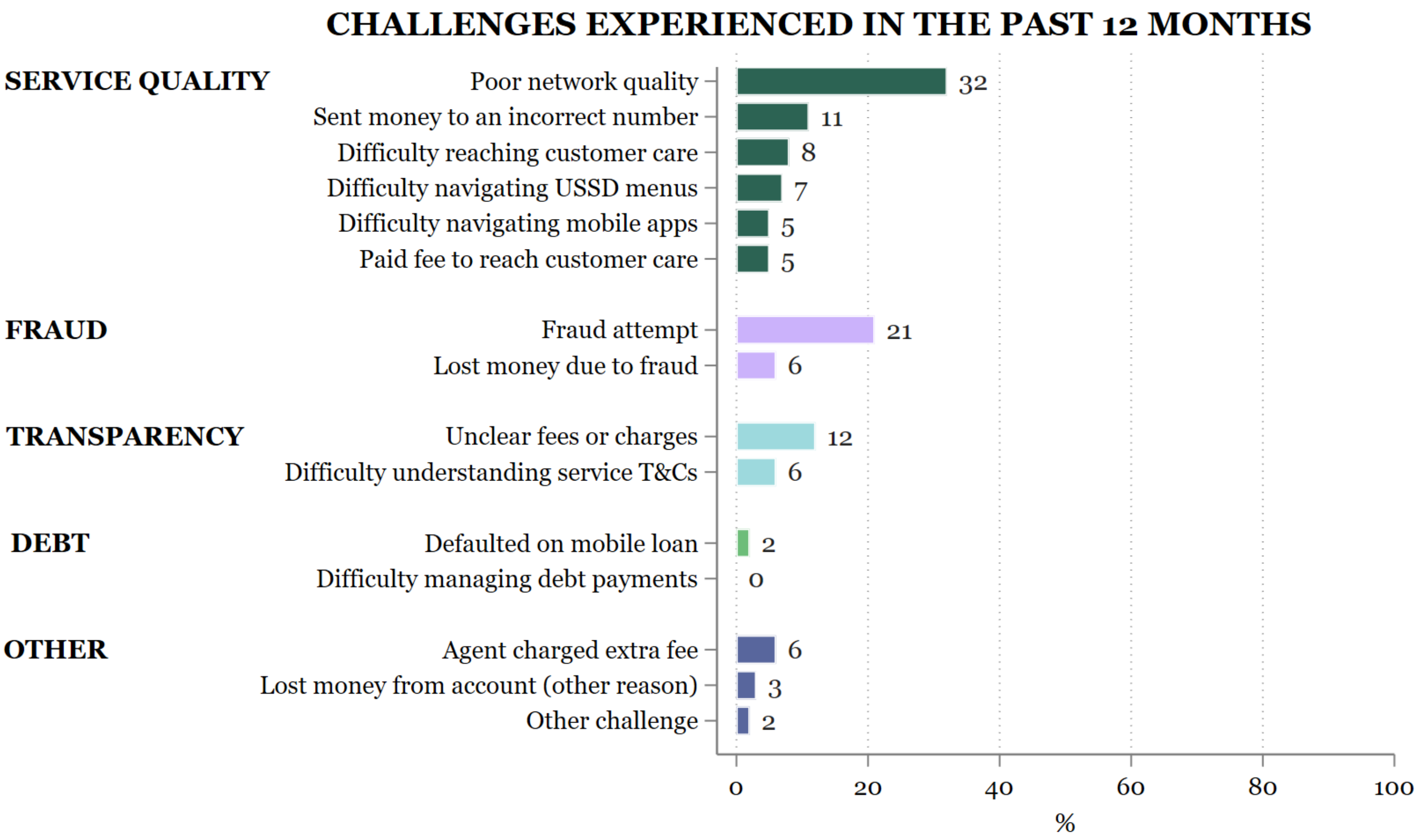
1. **Fraud exposure:** 21 percent of all respondents experienced a fraud attempt in the last 12 months, with 6 percent losing money to fraud. The median loss was USD 17.

2. **Over-indebtedness:** Among mobile loan users, 9 percent failed to repay a loan in the last 12 months, 15 percent regretted taking on debt, and 24 percent reduced food expenditure to repay debt.

3. **Sending money incorrectly:** 11 percent of payment services users had ever sent money to a wrong number, with 42 percent unable to recover the funds.

4. **Service quality issues:** 43 percent experienced any type of service quality challenge in the past 12 months. Of those, 32 percent experiencing poor network quality and 7 percent struggled to reach customer care when needed.

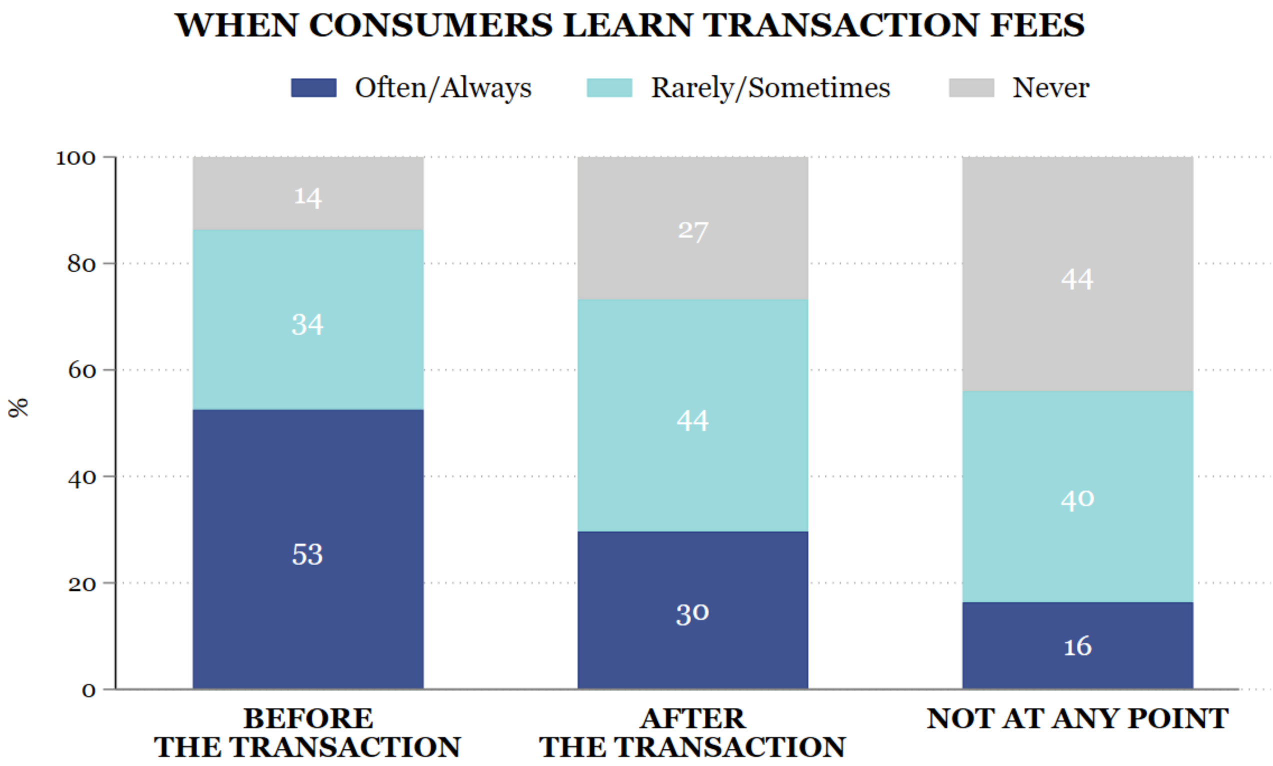
Challenges experienced in the past 12 months.



N=1001. Multiple selections possible. Unconditional values.

Half of respondents consistently knew fees before completing transactions.

16 percent said they did not learn prices at any point.



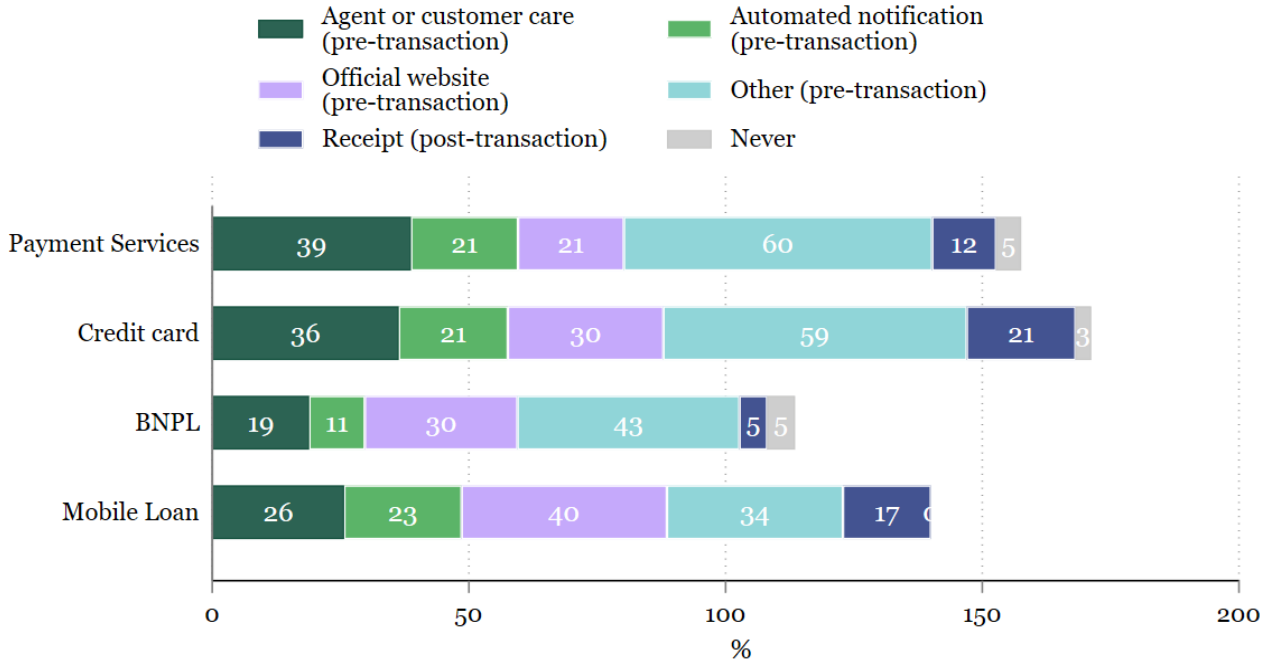
N= 1004. Excludes 79 don't know/refuse to answer responses.

LACK OF PRICE TRANSPARENCY

Most respondents learned about prices before the transaction, either from agents or from other sources, such as friends or family.

30 percent usually looked up prices online.

HOW RESPONDENTS LEARN ABOUT PRICES



Respondents: Payment services: N=1004, Credit card: N= 66, BNPL: N= 37, Mobile loan: N = 35. Overdraft excluded due to small sample size. Totals may add to greater than 100% because respondents could select more than one source of pricing information.

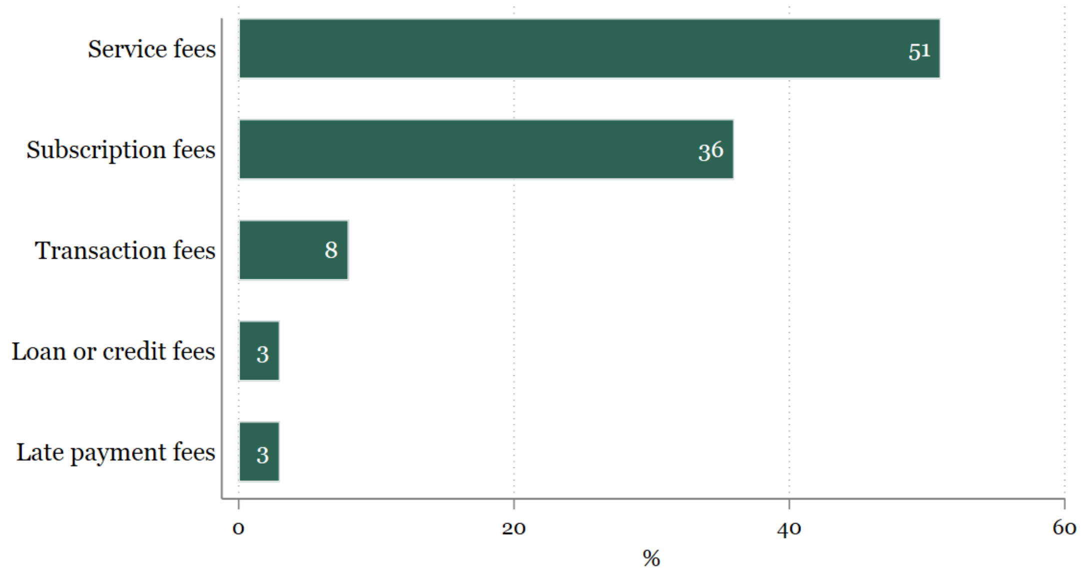
In our sample, 12 percent of respondents had experienced a fee or deduction on their account that they did not understand at first.

AMOUNT PAID IN UNCLEAR FEES
LAST 12 MONTHS

N= 124

Among consumers who later identified a provider fee as the cause of an unclear deduction, service fees were the most common type.

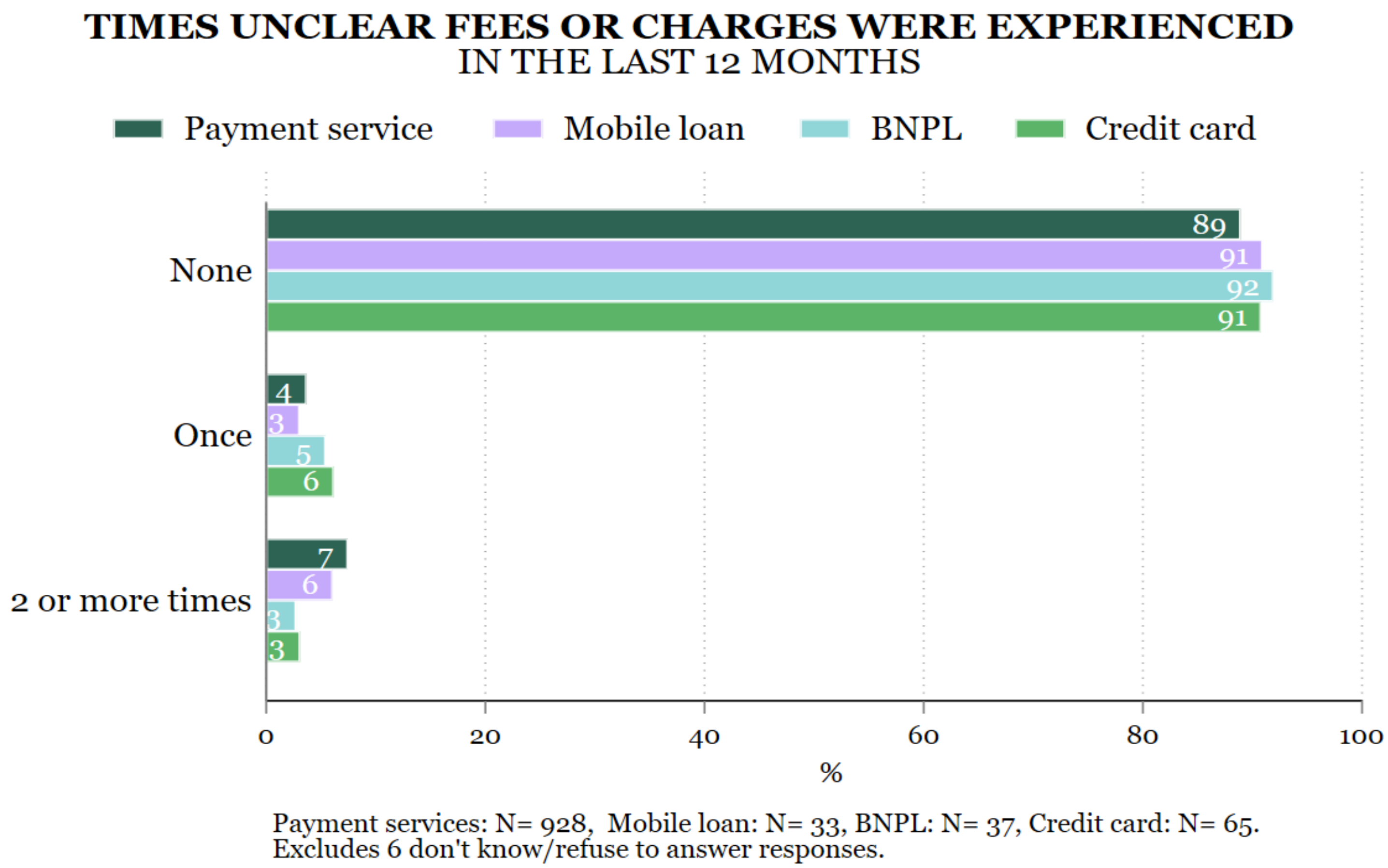
TYPE OF UNCLEAR FEE
LAST INCIDENT



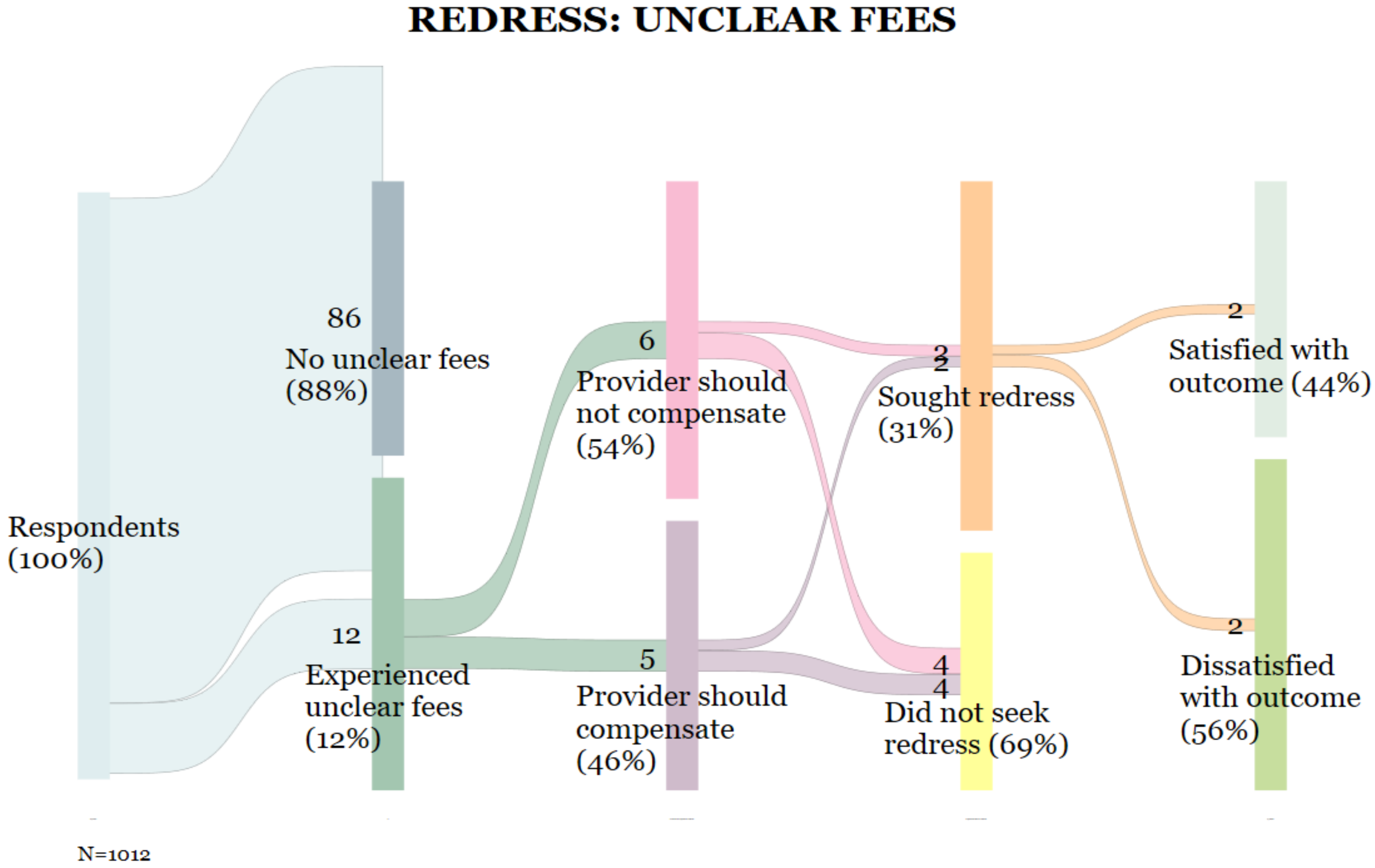
N= 39.
Excludes 3 don't know/refuse to answer responses.

UNCLEAR FEES

Across all service types, approximately 10 percent of users experienced at least one unclear fee within the past 12 months.



Few consumers seek formal redress for issues involving unclear fees.



UNCLEAR FEES

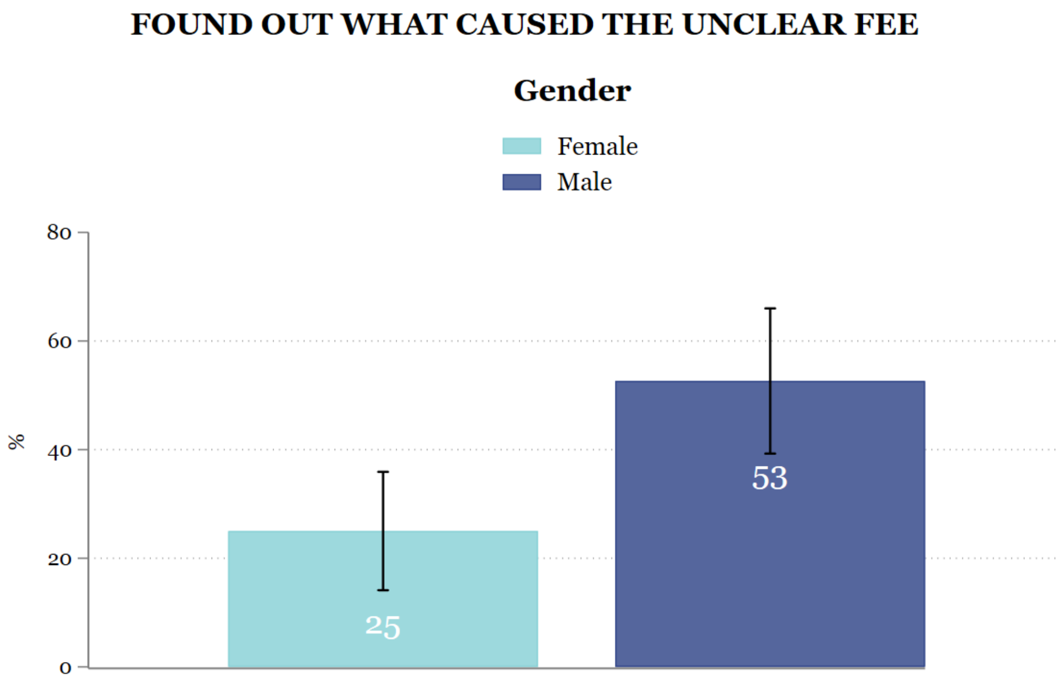
Thirty-eight percent of consumers never found out the cause of the unclear fee.

Male respondents were more likely to find out the cause compared to female respondents.

The fee was usually charged directly by the provider (in 98 percent of cases) as opposed to a payment or transfer made to another person or business.

31 percent

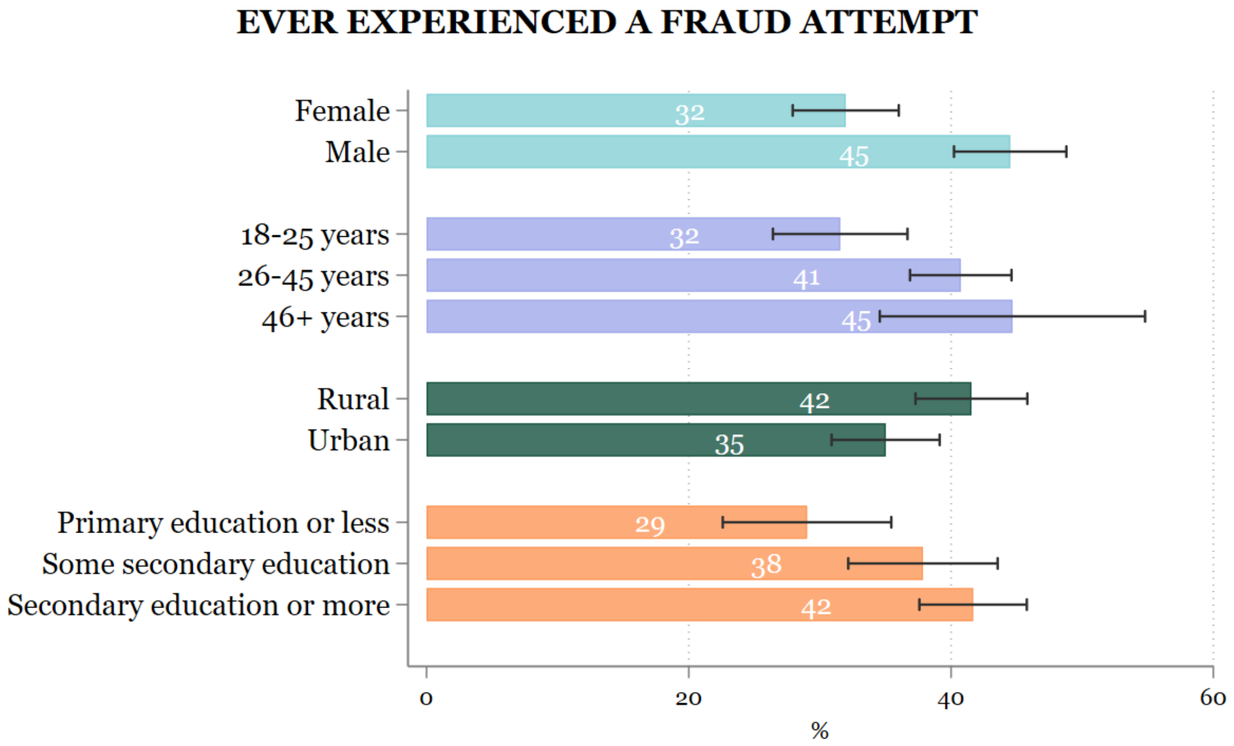
believed that this charge was not allowed under their account's rules.



N= 121. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

Respondents commonly experience fraud attempts.

38 percent said they had been contacted by someone attempting to deceive them into sharing personal financial information or authorizing a transaction, and 21 percent said that it had happened in the past 12 months.



N= 1032. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

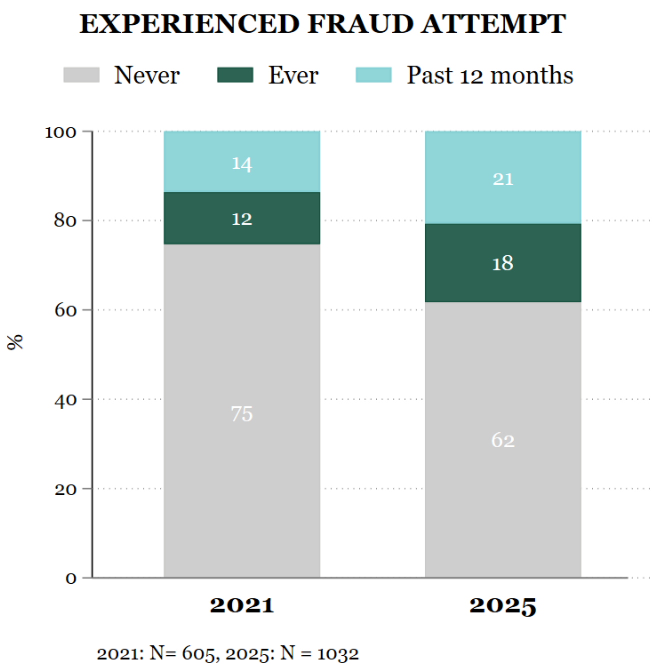
Male, middle-aged, rural, and higher educated consumers reported higher incidents of fraud attempts.

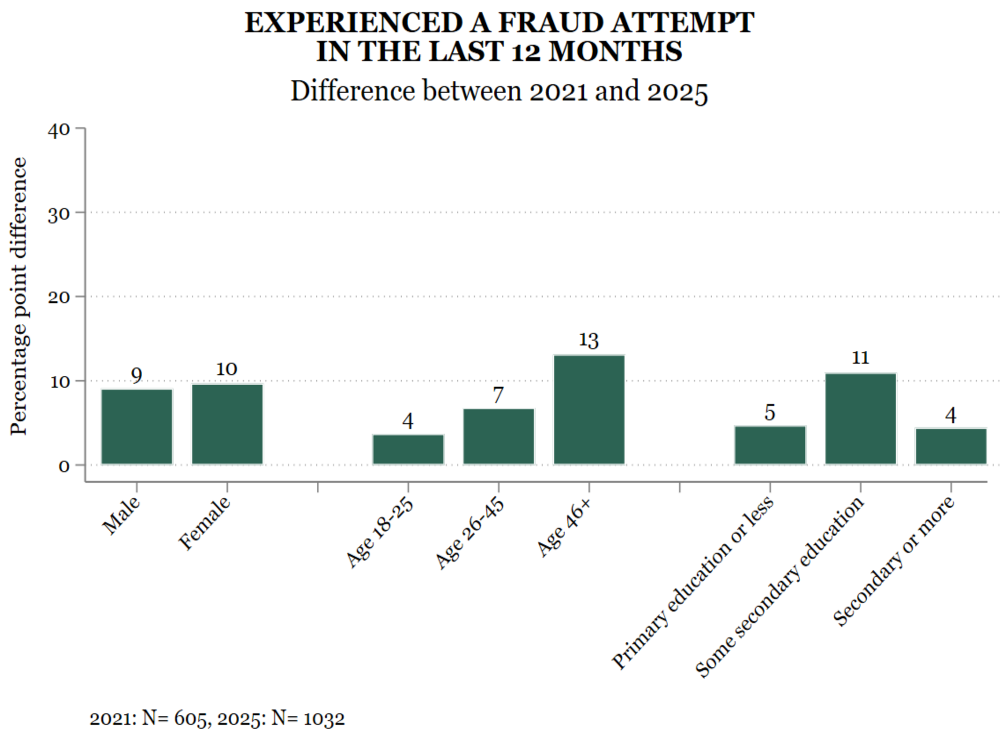
We did not observe any significant differences in reported fraud attempts by poverty or financial literacy.

Exposure to fraud attempts increased by 50 percent between 2021 and 2025.

In 2021, 14 percent of surveyed DFS consumers said they had experienced a fraud attempt in the last 12 months, compared to 21 percent in 2025.

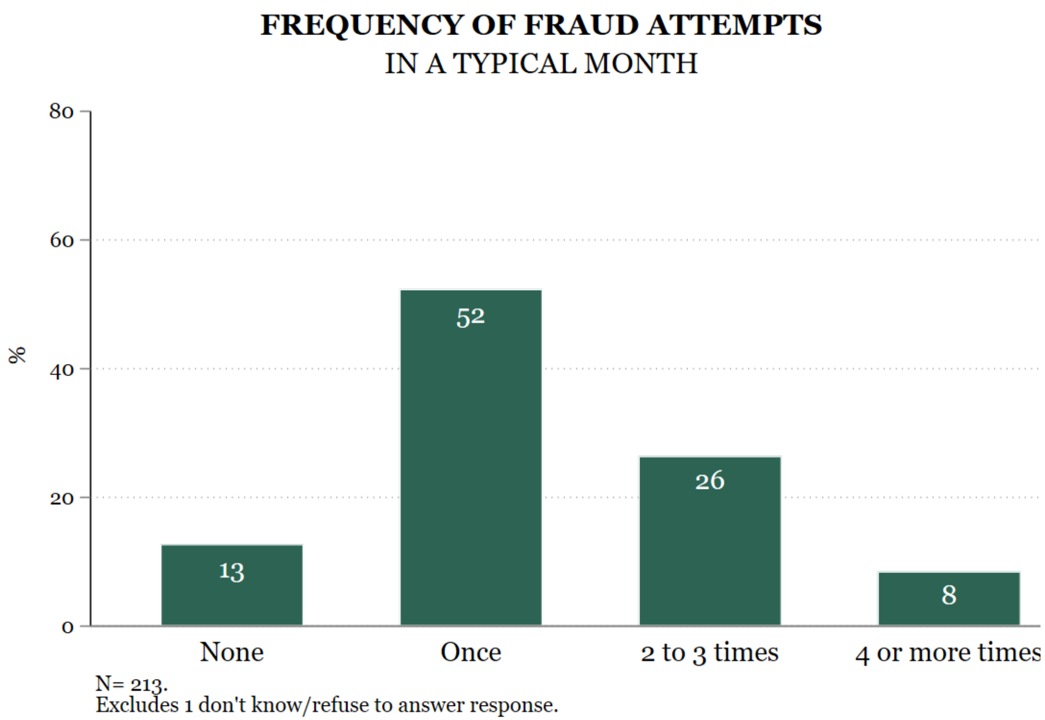
While fraud attempts became more common across consumer segments, the greatest increase was reported by older adults and those with some secondary education.



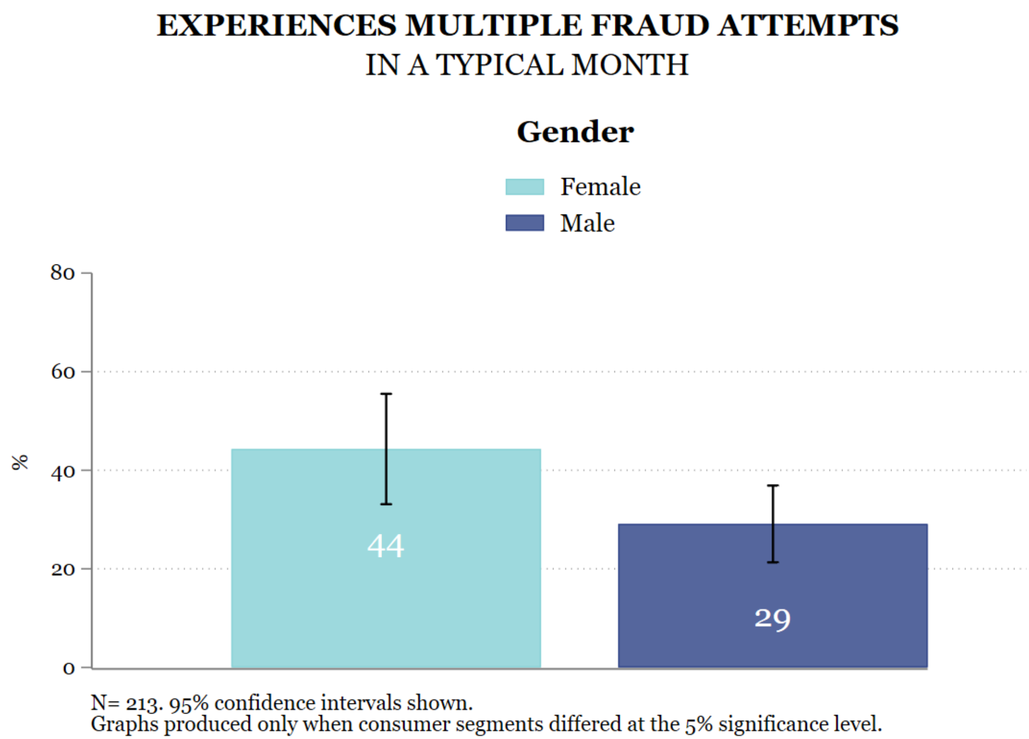


Fraud attempts happen once in a typical month.

35 percent of respondents were typically targeted more than once a month.



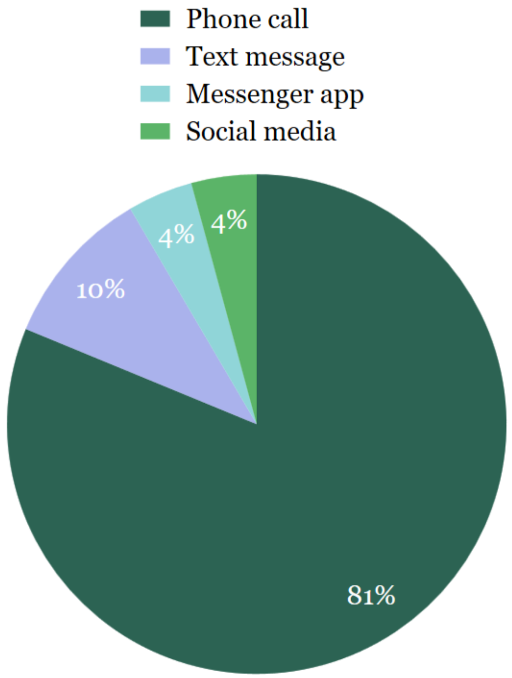
Female respondents were more likely to report experiencing fraud attempts more than once a month.



ATTEMPTED FRAUD

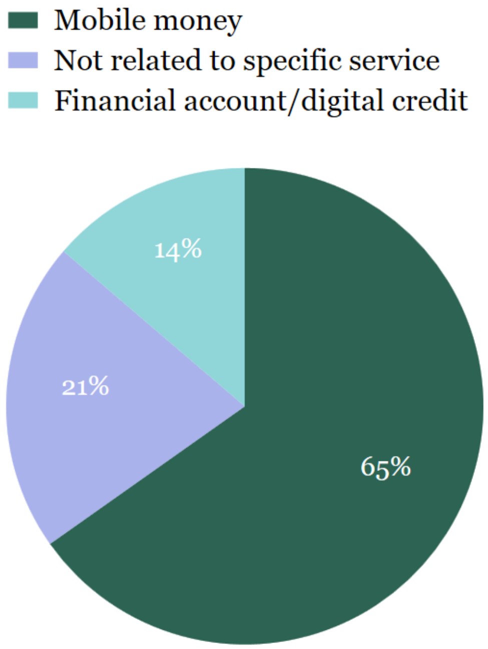
Most fraud attempts occur by phone or SMS, and many fraudsters pose as financial service provider representatives.

FRAUD CHANNEL



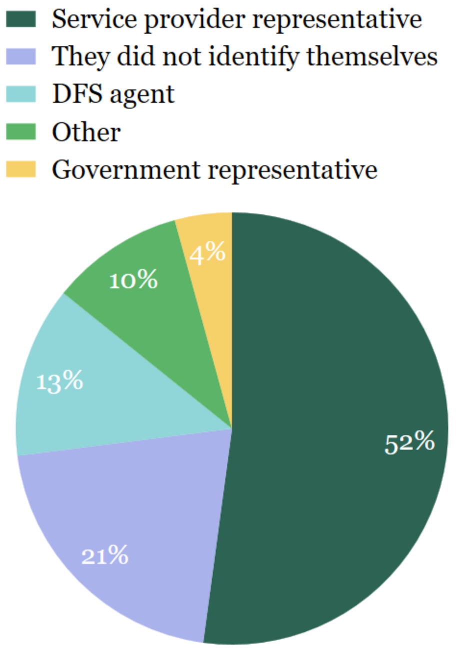
N= 213.

SERVICE TYPE INVOLVED IN LAST FRAUD ATTEMPT



N= 213. Excludes 9 don't know/refuse to answer responses.

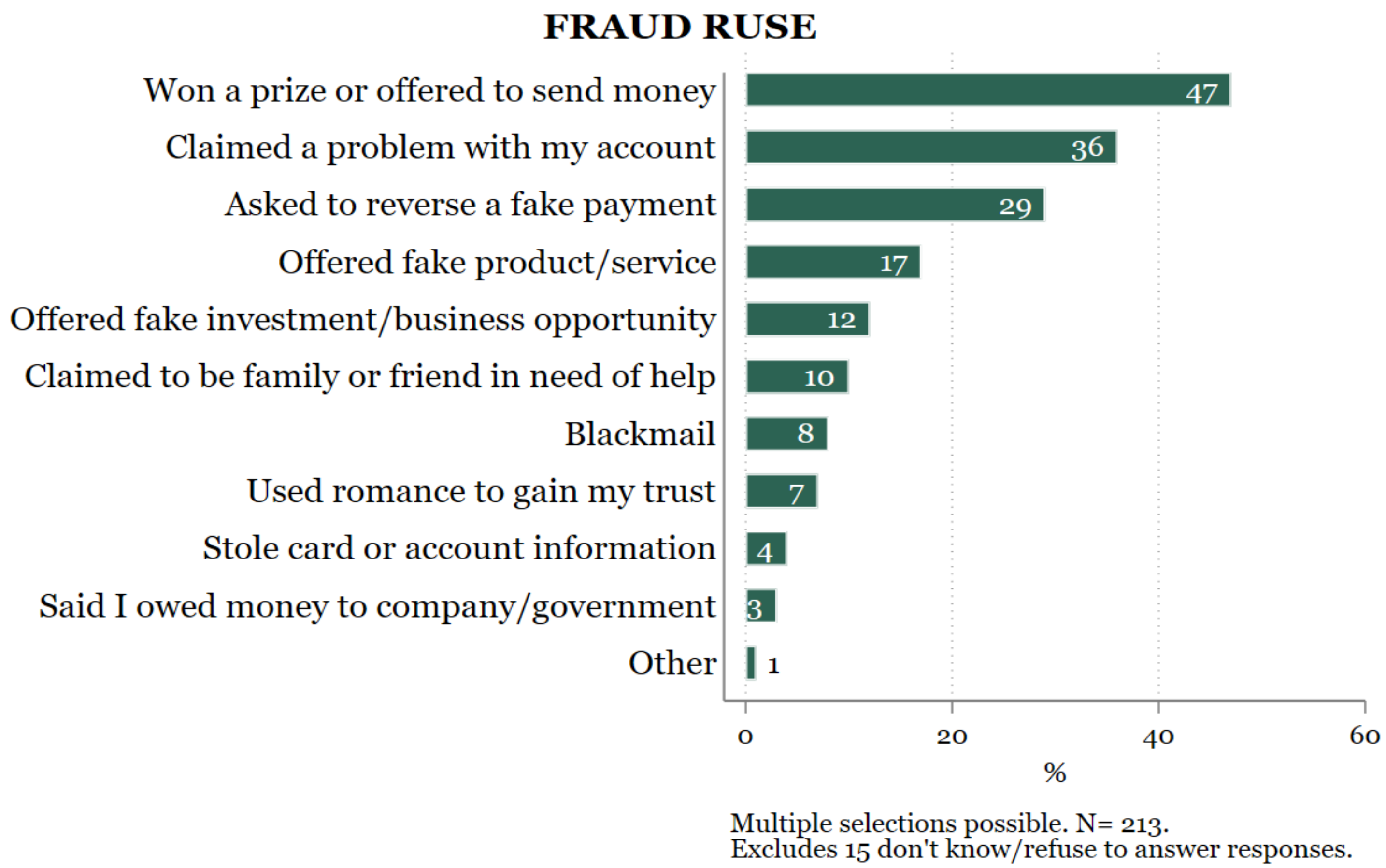
IDENTITY ASSUMED BY FRAUDSTERS IN LAST FRAUD ATTEMPT



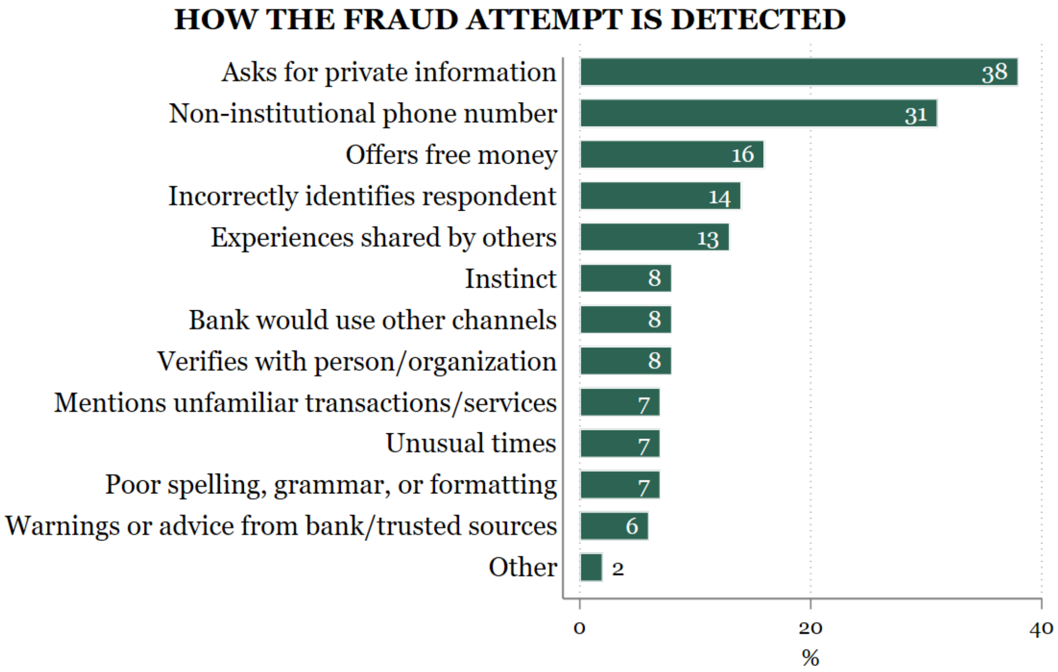
N= 211.

ATTEMPTED FRAUD

Fraudsters most commonly offer respondents free money, or claim a problem with their account.

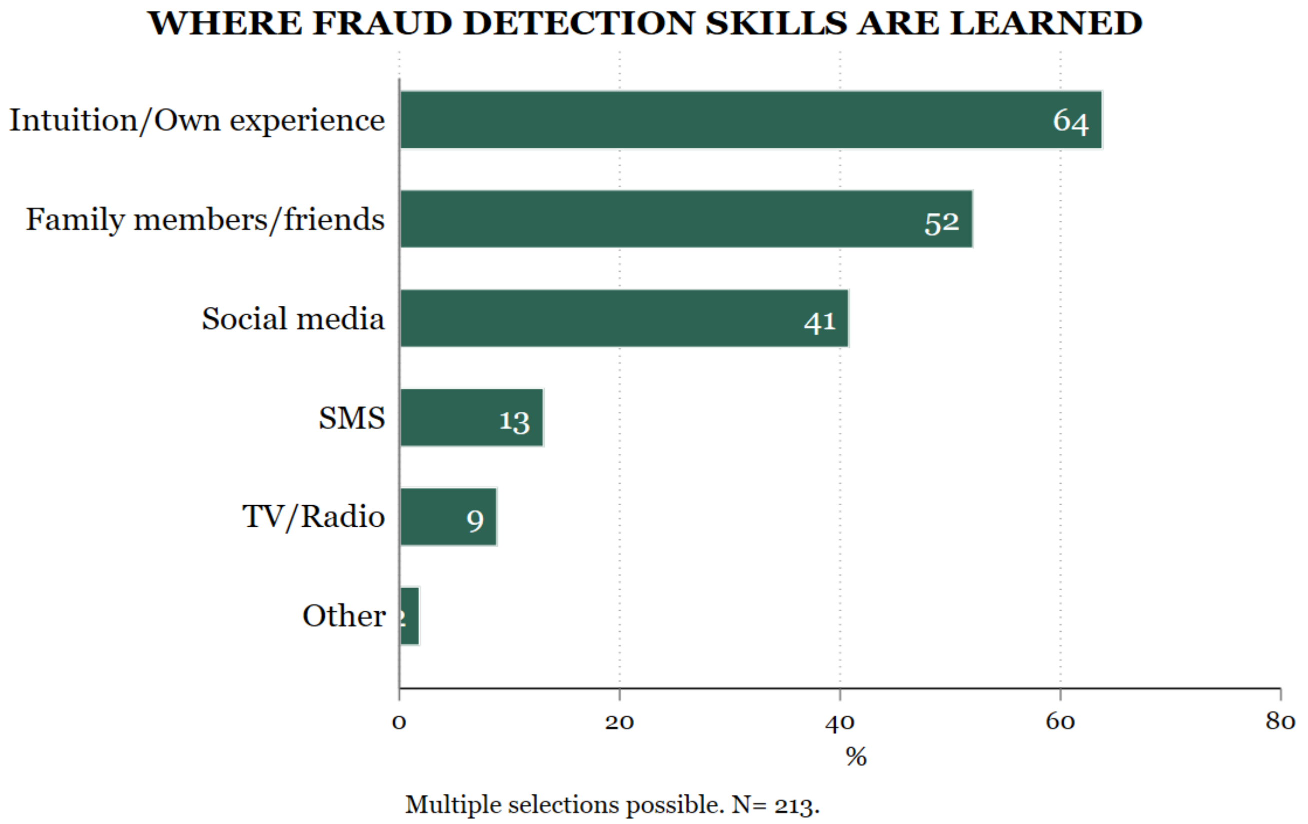


A third of respondents report that they identified scams by two common suspicious behaviors: requests of private information, and calls from regular (rather than business) numbers.

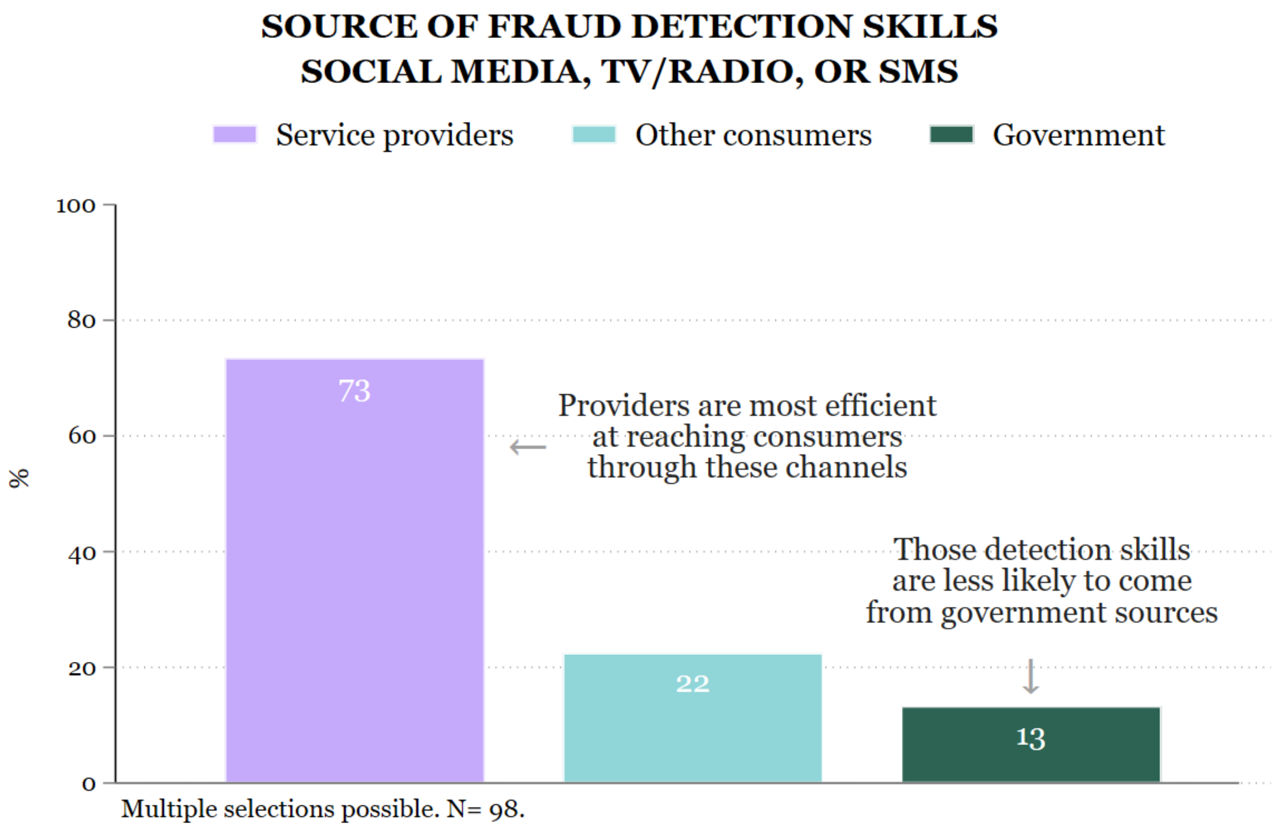


Multiple selections possible. N= 213

Respondents most often learn to detect scams based on own experiences or those of their social network.



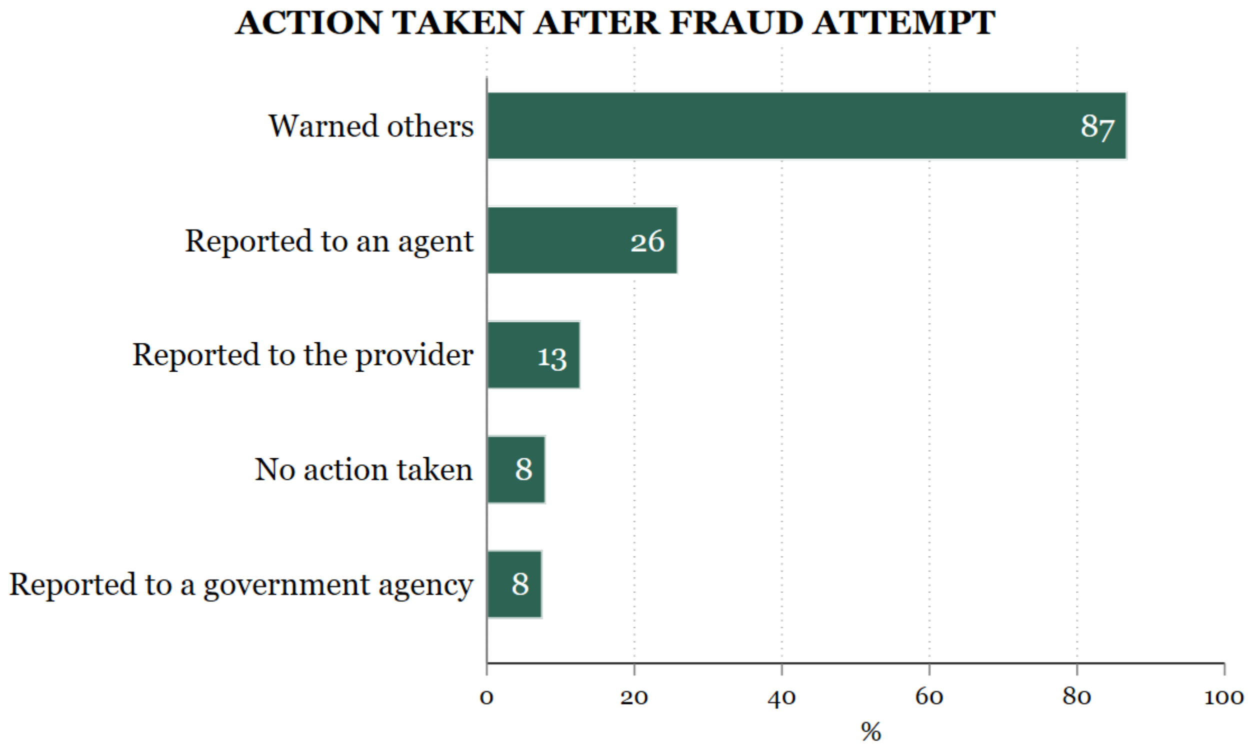
When fraud detection skills are learned through social media, TV, radio, or SMS, the source is often service providers.



ATTEMPTED FRAUD

Only thirty- percent formally reported the last fraud attempt they experienced.

The majority of respondents warned friends and family. 8 percent took no action at all.

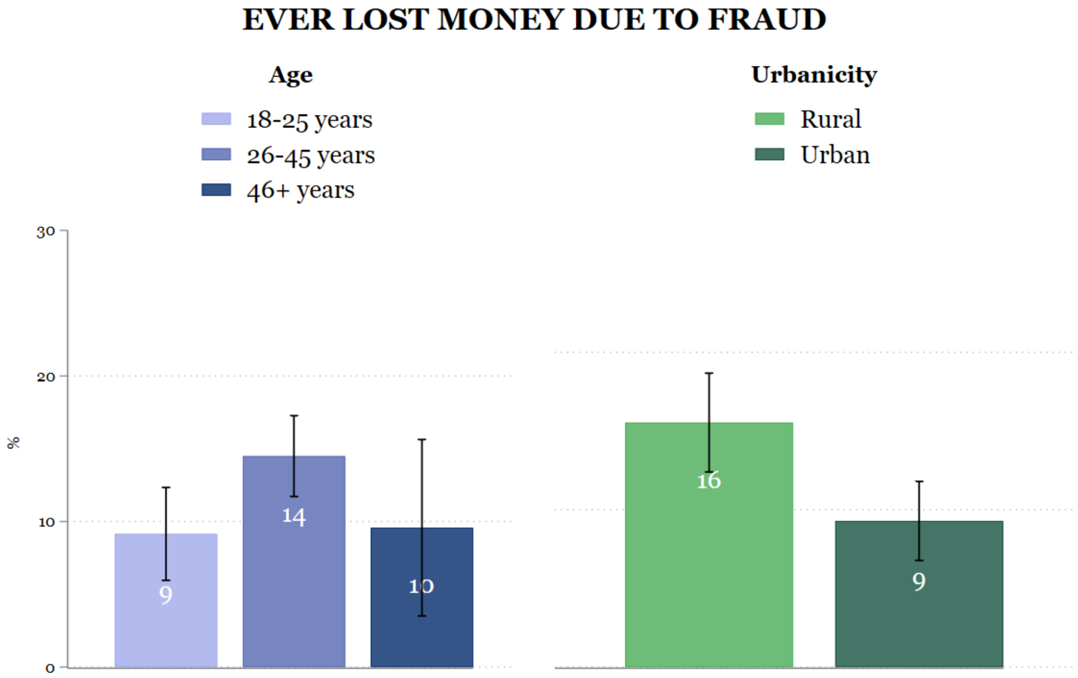


Multiple selections possible. N= 213.
Excludes 4 don't know/refuse to answer responses.

One in eight DFS users had lost money due to fraud.

12 percent of respondents had ever lost money, and 6 percent had lost money in the past 12 months.

Middle-aged and rural consumers were more likely to say that they had been defrauded.



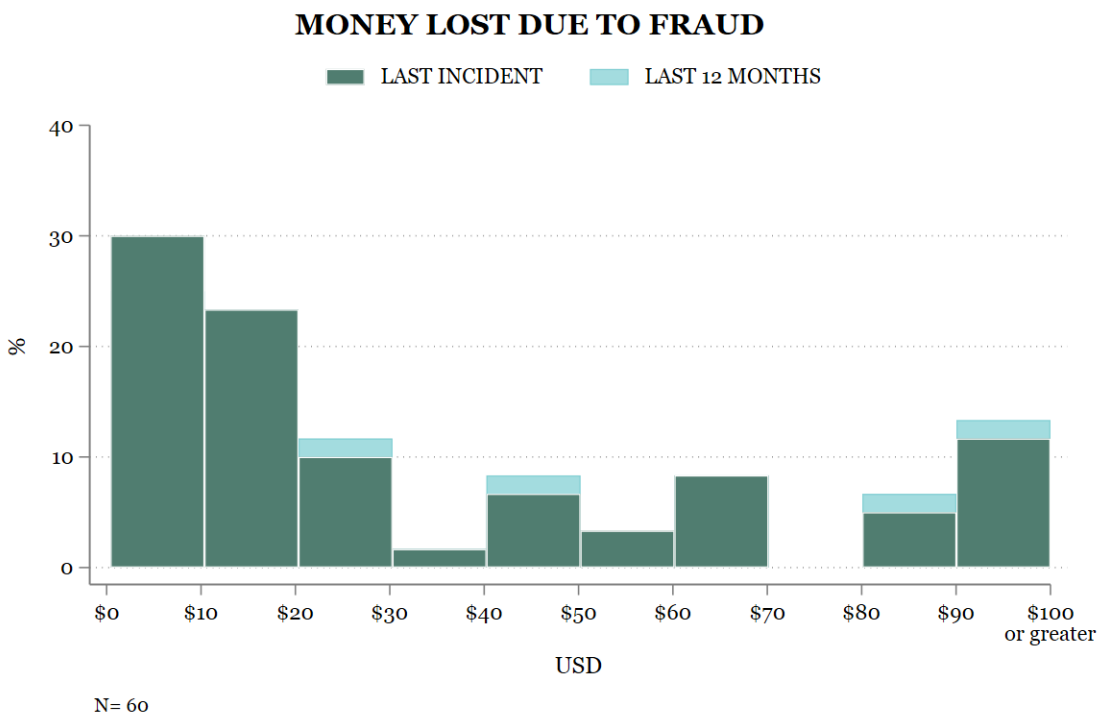
N= 1032. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

3 percent

of respondents had lost money specifically due to fraudulent fintech smartphone applications in the past 12 months.

The median respondent lost $17 the last time they were defrauded.

This corresponds to 6 percent of average monthly household income.



$20.35

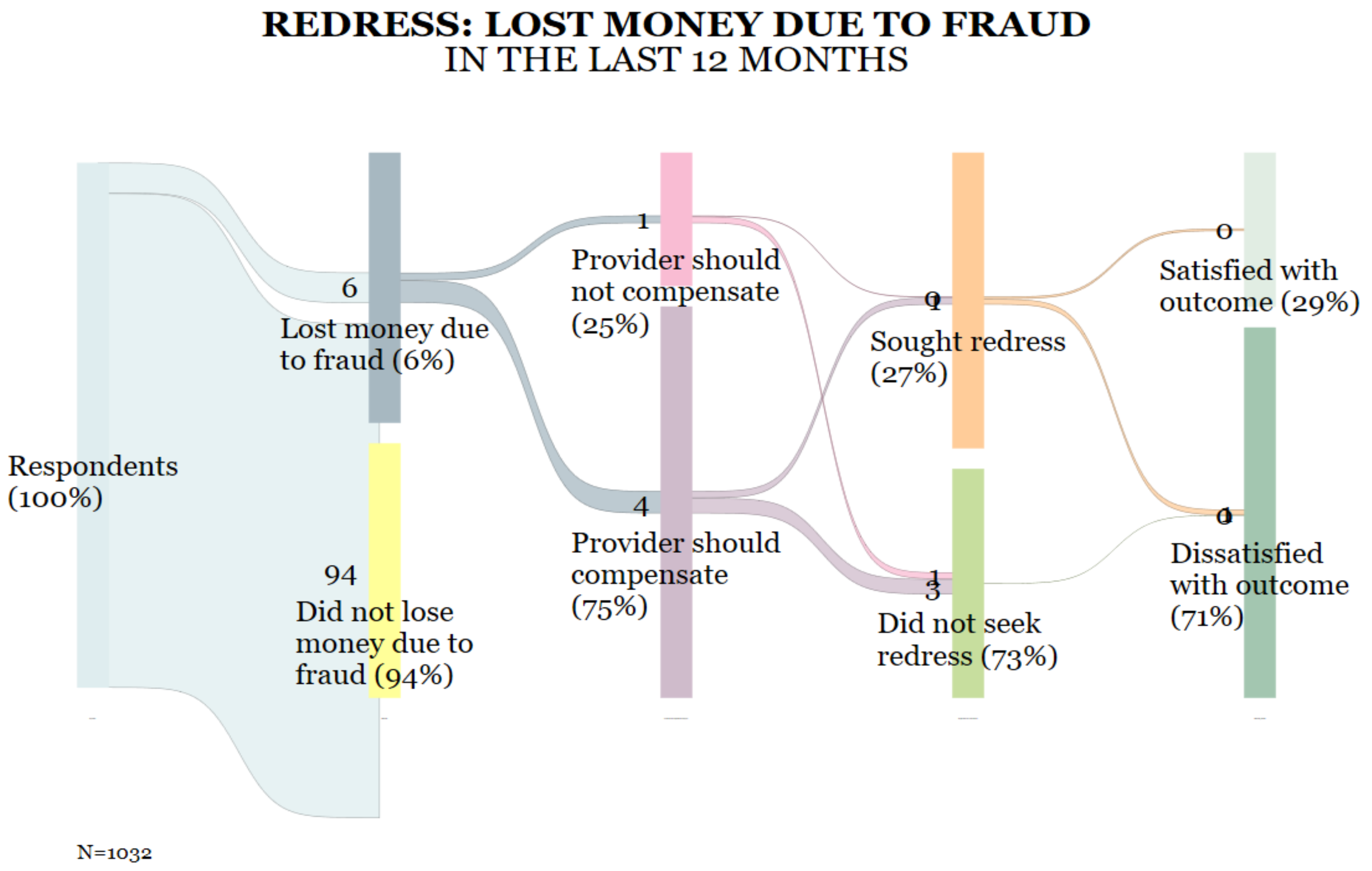
Median annual financial loss due to fraud among fraud victims in our sample

$60 million

Estimated total annual loss due to fraud among all Bangladeshn DFS users.*

*Calculated by multiplying the mean amount lost due to fraud across our entire sample (including those who did not lose money to fraud) – $2.75 – by the total number of Bangladeshn DFS consumers (reported by Findex 2025) – 21,959,894.

When consumers lose money due to fraud, they rarely seek redress.



SUCCESSFUL FRAUD

Fraud victims become more cautious, reduce their DFS usage, and experience negative impacts on their well-being.

Female respondents were more likely to experience negative psychological impacts.

IMPACTS ON DFS USAGE

68%
became more cautious or vigilant when making transactions

52%
changed their PIN or password

16%
decreased their DFS usage across all services

13%
stopped using the service provider

10%
stopped using the service entirely

IMPACTS ON WELL-BEING

92%
felt anxious or worried

86%
felt angry or frustrated

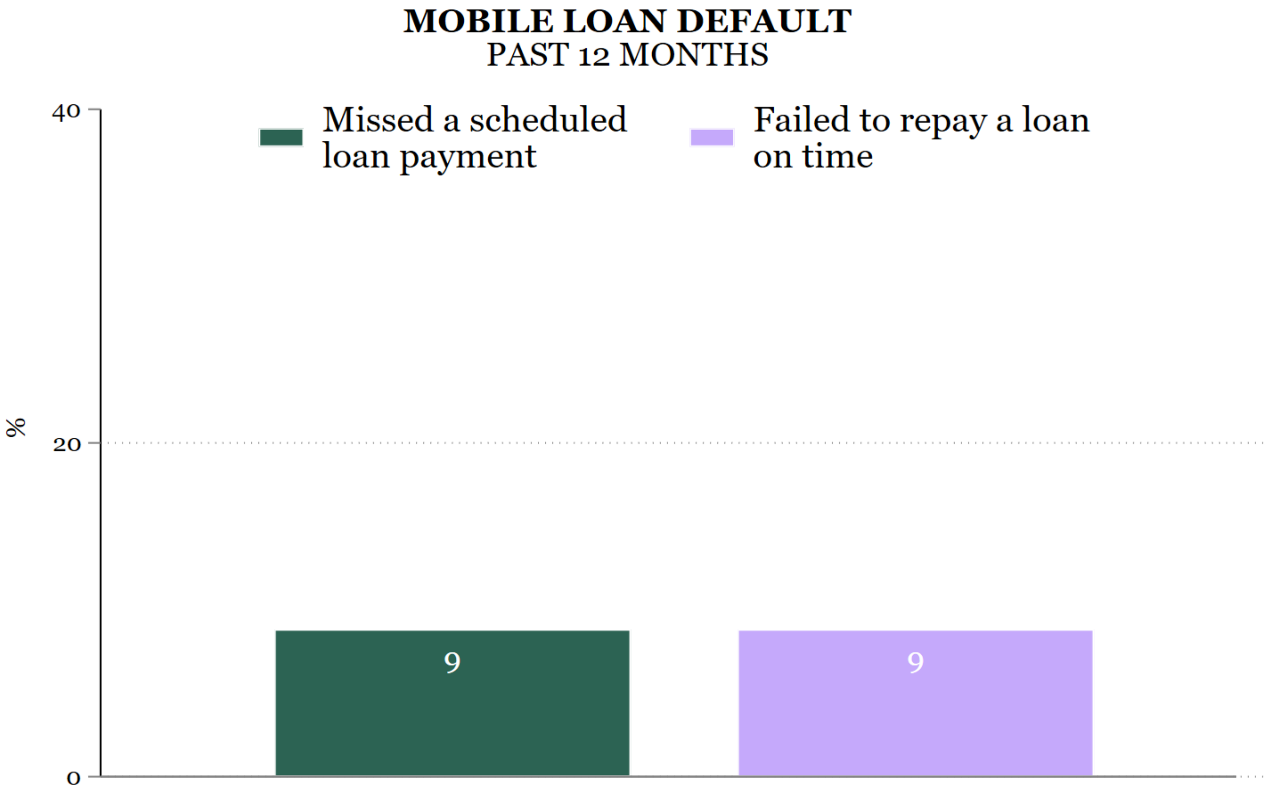
87%
lost confidence

80%
felt helpless or vulnerable

72%
felt embarrassed or ashamed

Nine percent of mobile loan users reported failing to repay on time in the last year.

Mobile loan repayment failure did not differ by consumer segment.



N= 35. Excludes 1 don't know/refuse to answer response.

26%

of mobile loan users had more than one active mobile loan.

Failure to repay a loan did not differ significantly by number of active loans.

Credit cards, overdraft services, and buy-now-pay-later remain relatively rare forms of credit.

CREDIT CARDS

6%

had used a credit card in the past 12 months.

12%

of credit card users had missed a scheduled credit card repayment.

OVERDRAFT SERVICES

1%

had used overdraft services in the past 12 months.

29%

of overdraft users were enrolled without their knowledge.

BUY-NOW-PAY-LATER

4%

had used buy-now-pay-later in the past 12 months.

8%

of BNPL users were charged an unexpected fee for the service.

OVER-INDEBTEDNESS

Some mobile loan, credit card, overdraft, and buy-now-pay-later users show signs of over-indebtedness.

Proportion of debt services users who reported…

15%

...regretting taking on debt.

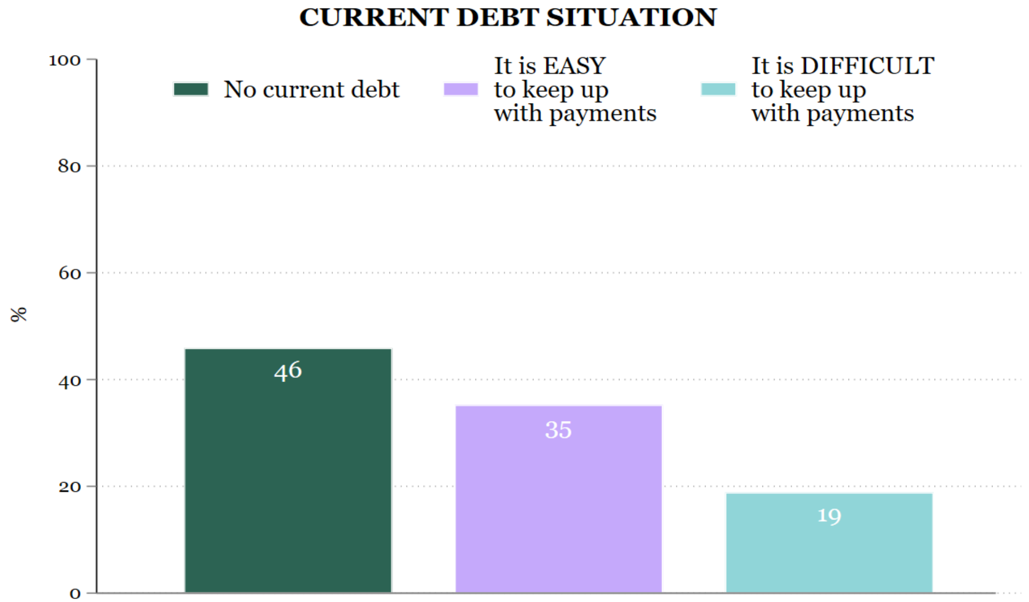
7%

...using a loan to repay another debt.

5%

...losing access to one of their accounts due to unpaid debt.

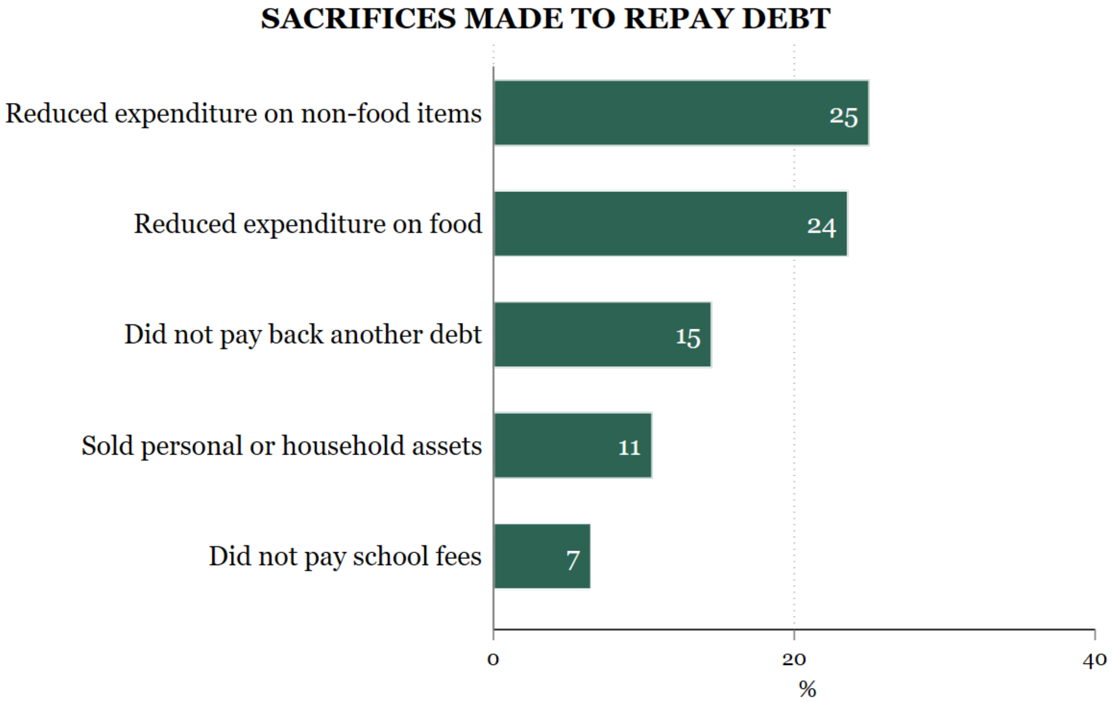
Among respondents that used debt services in the past 12 months,
19 percent
found it somewhat or very difficult to keep up with their debt payments.



N= 125. Excludes 3 don't know/refuse to answer responses.

Among mobile loan, credit card, overdraft, and buy-now-pay-later users, nearly a quarter of respondents had cut back on food expenditure to repay their debt in the past 12 months.

Rural, poorer, less educated, and older respondents were significantly more likely to reduce food expenditure to pay back a loan.

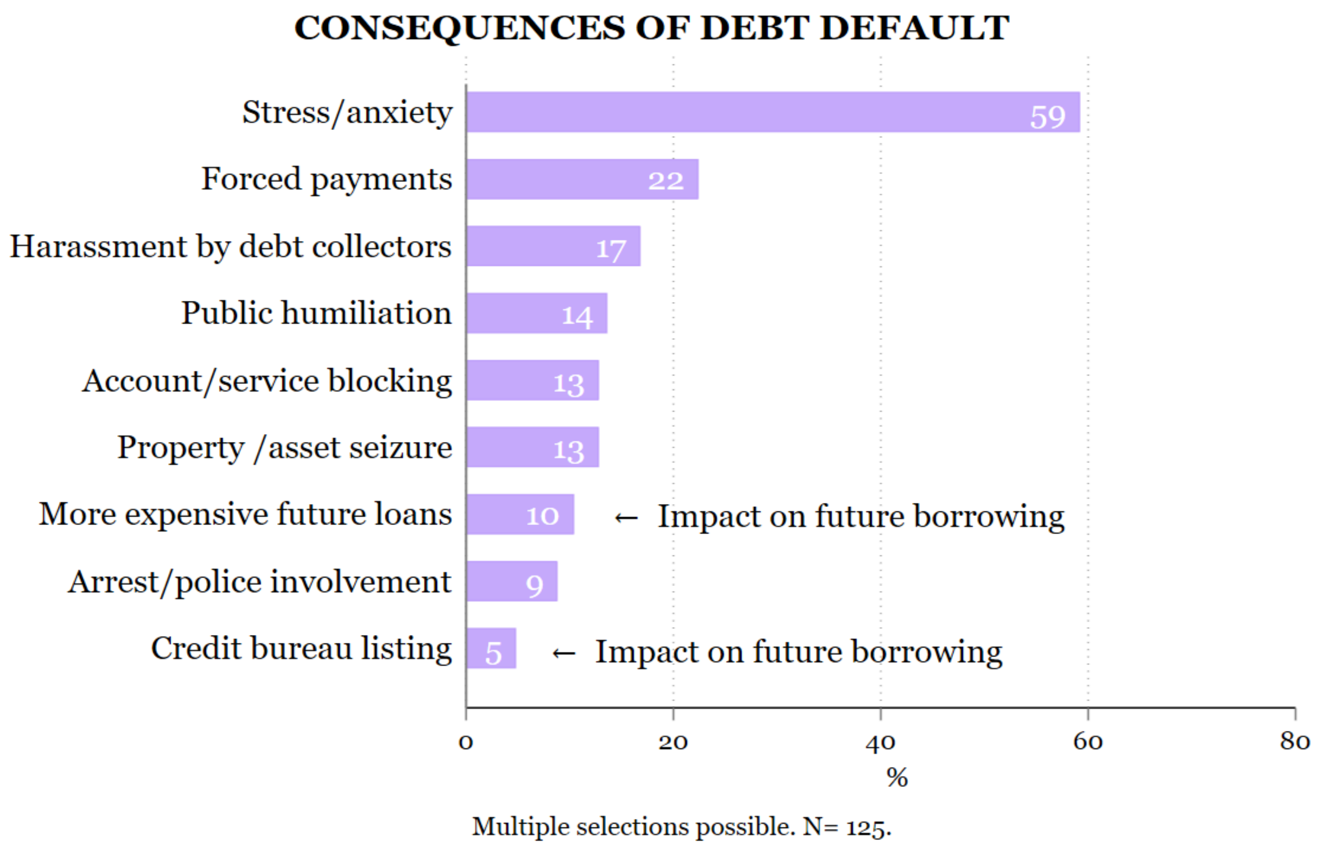


Multiple selections possible. N= 125.
Excludes 8 don't know/refuse to answer responses.

25 percent
of debt users used two or more strategies to cope with their debt situation.

15 percent
used three or more coping strategies.

Consumers identified some negative consequences a borrower might face if they default on their debt.



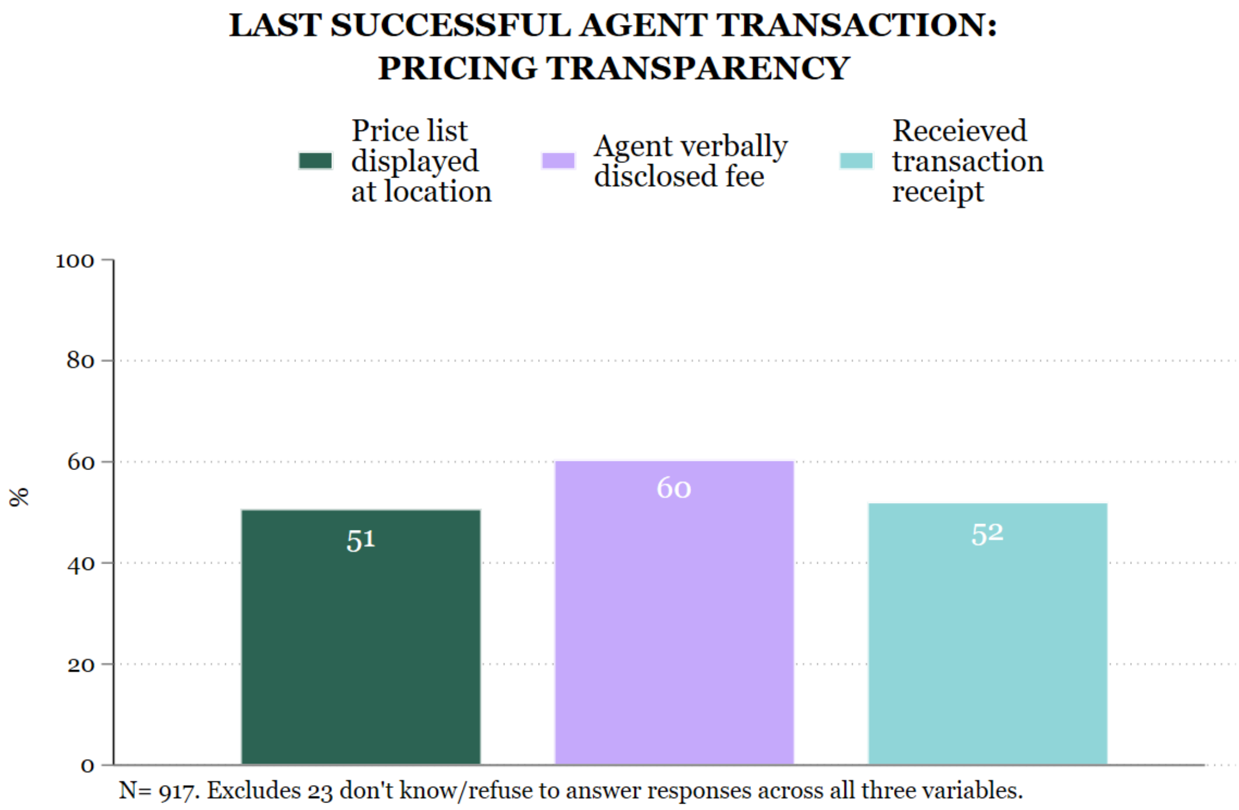
However, most borrowers did not identify key consequences for default, including credit bureau listing and more expensive future loans.

When debt services users were asked if they had experienced harassment by debt collectors in the past 12 months,

7 percent
said they had done so.

Respondents report inconsistent price disclosure by agents.

40 percent of agents do not disclose prices, and half do not have price lists visible to consumers. Half of consumers (52 percent) stated that they received transaction receipts.



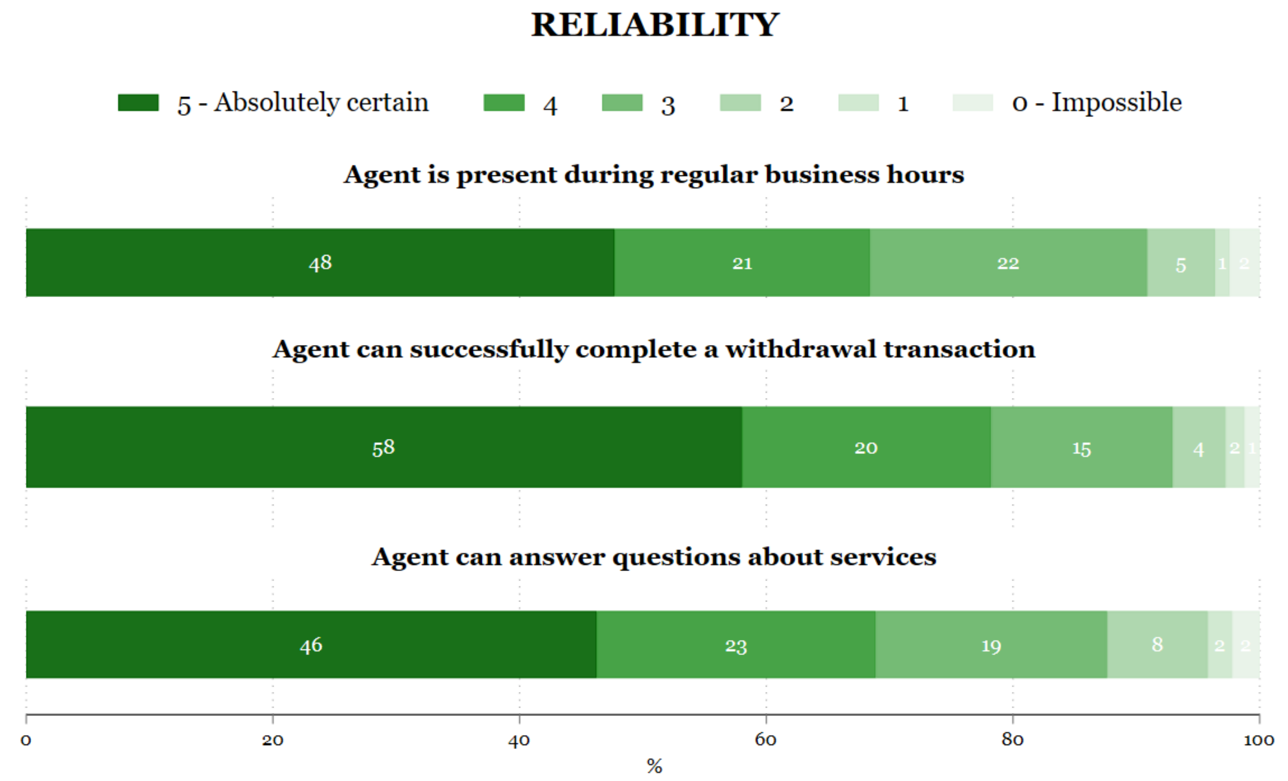
Female respondents reported lower rates of fee disclosure and seeing pricelists at agent locations.

A separate mystery shopping study* found that agents disclosed fees verbally 4 percent of the time, price lists were displayed 93 percent of the time, and customers received receipts 98 percent of the time, suggesting that respondent recall may lead to an underestimate of price list availability and an overestimates of fee disclosure. Some differences may be driven by transaction type completed.

*IPA (2025) conducted mystery shopping visits at agent locations in rural and urban markets in Bangladesh.

Agents do not always provide reliable service.

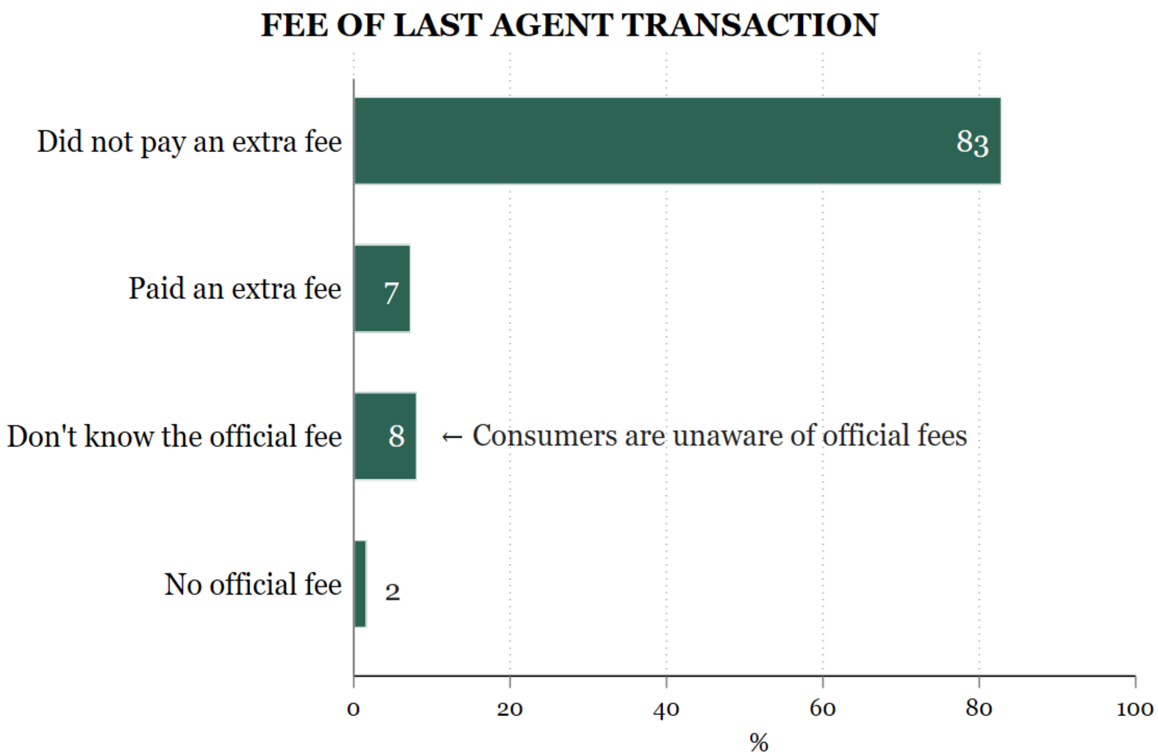
Agents are not always present or able to complete transactions successfully. Less than half of respondents were absolutely certain that an agent could help them answer questions related to their services.



N= 917. Excludes 23 don't know responses across all three variables.

Seven percent of agent users report overcharging.

Few sought formal redress after having been overcharged, even if they thought the provider should be held accountable.



N= 917. Excludes 17 don't know/refuse to answer responses.

Amongst the respondents that were overcharged,

69%
thought that the provider should compensate them for the money that was lost

8%
would know how to seek formal redress

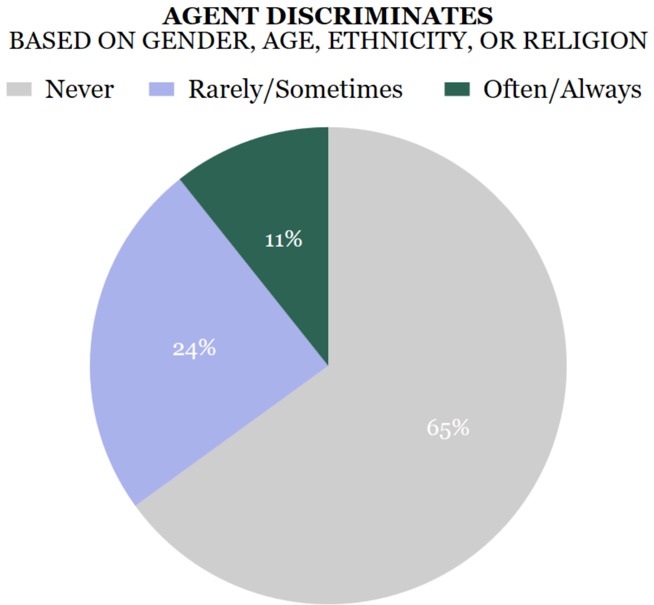
5%
sought formal redress for the issue

A separate mystery shopping study* found that 1.1% of respondents reported agent overcharging

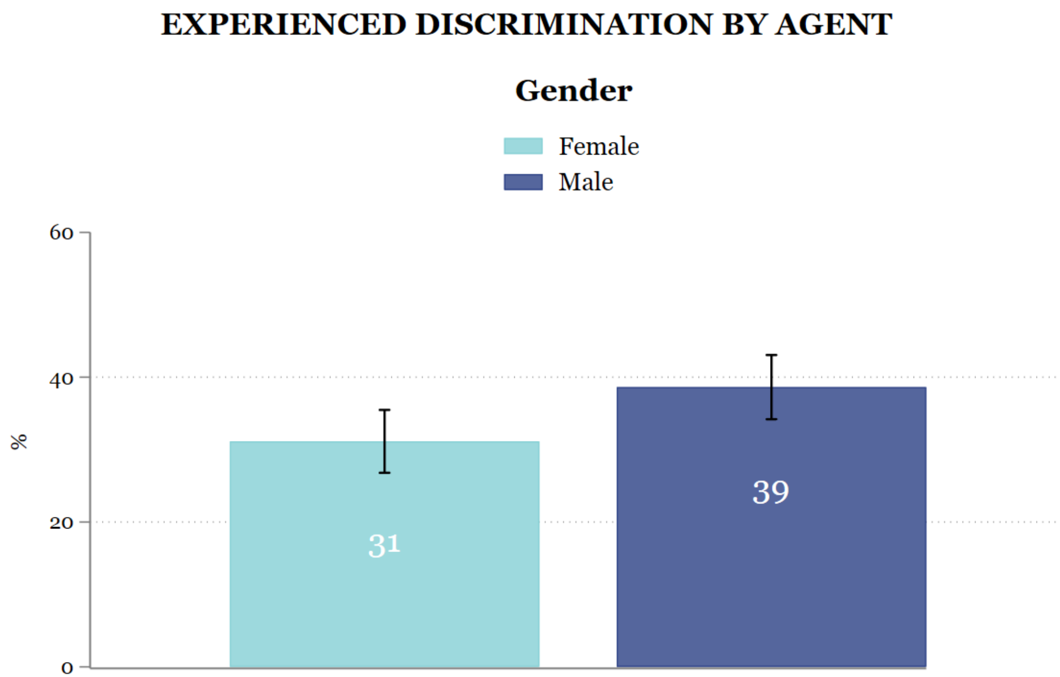
*IPA (2025) conducted mystery shopping visits at agent locations in rural and urban markets in Bangladesh.

Eleven percent of respondents said that agents often or always treat them differently because of their gender, age, ethnicity, or religion.

Male respondents were more likely to report experiences of discrimination.



N= 917. Excludes 11 don't know/refuse to answer responses.



N= 906. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

In the last 12 months, three percent of respondents lost money from their account for reasons other than fraud, unexpected fees, or agent overcharging.

These losses typically occurred when transactions errors occurred, including sending money to the wrong recipient or not receiving money despite confirmation by the sender.

Due to the small sample size,
we do not explore the underlying causes
of these differences in further detail.

SENT MONEY TO WRONG NUMBER

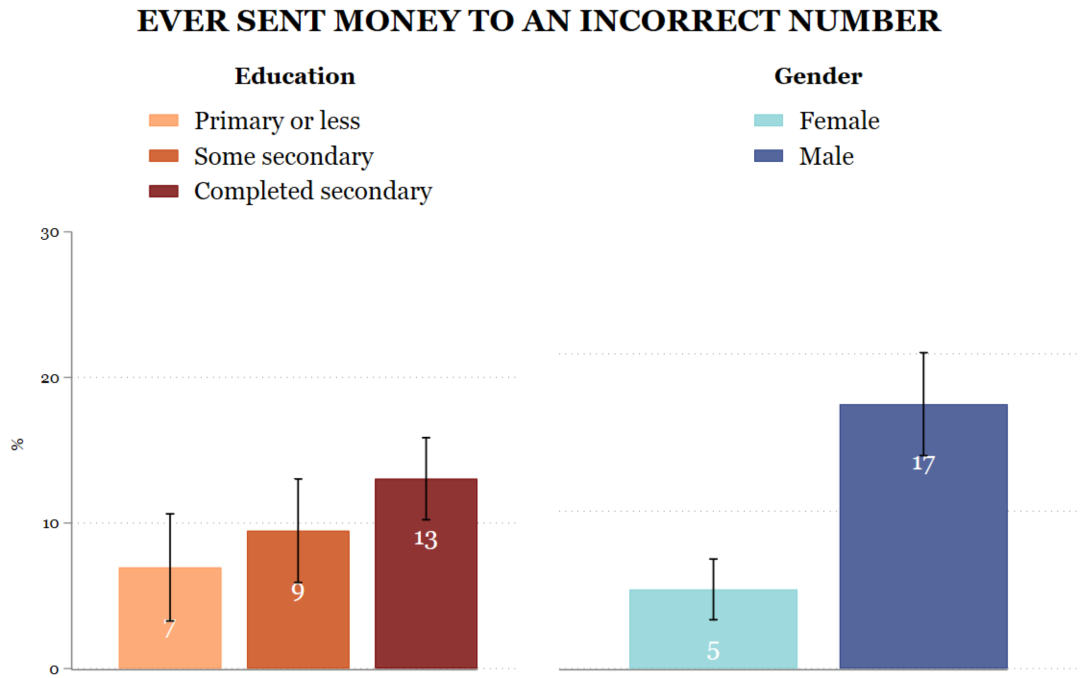
Despite safeguards, one in ten respondents had sent money to the wrong number. Most are not able to recover the funds.

63 percent of respondents said that there was an extra verification step they had to complete before sending money to a new phone number. Nonetheless,

11 percent
of payment services users had ever sent money to a wrong number. Of those,

42 percent
were not able to recover the money.

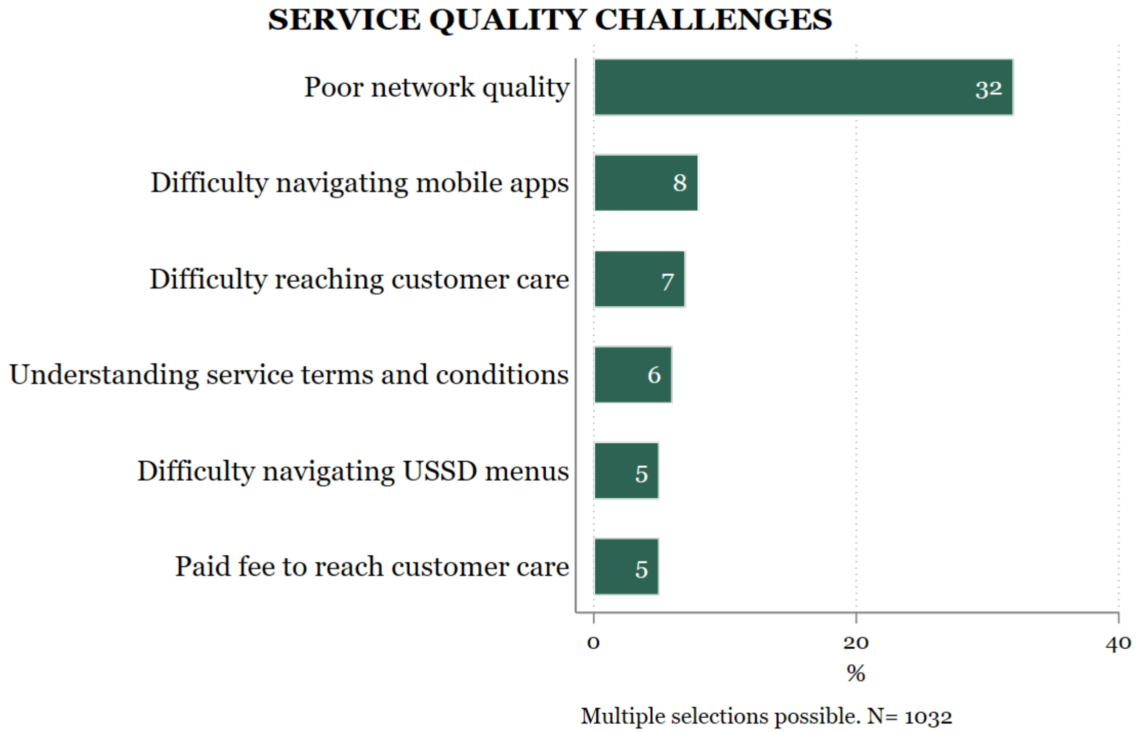
Male and urban respondents were more likely to experience the challenge.



N= 1003. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

Many consumers encounter challenges related to the quality of a service.

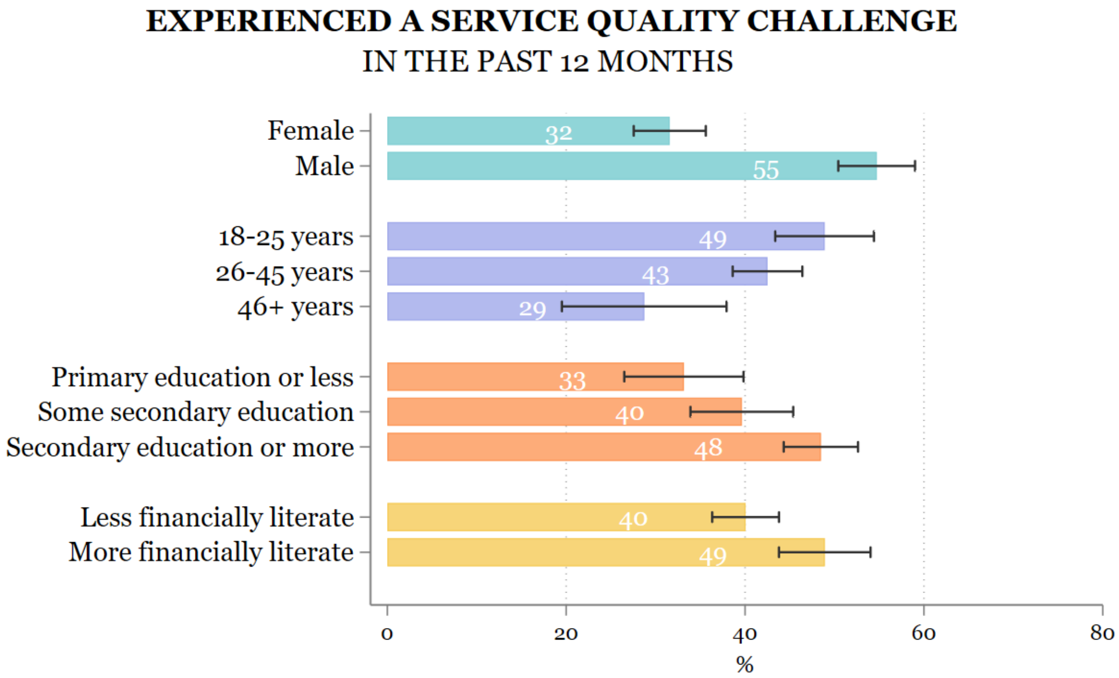
43 percent had experienced such a challenge in the past 12 months.



The most common challenge was poor network quality that impacted their usage of DFS.

7 percent
had struggled to reach customer care when needed.

Male, middle-aged, more educated, and more financially literate respondents were more likely to report having experienced any type of service quality challenge.



N= 1032. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

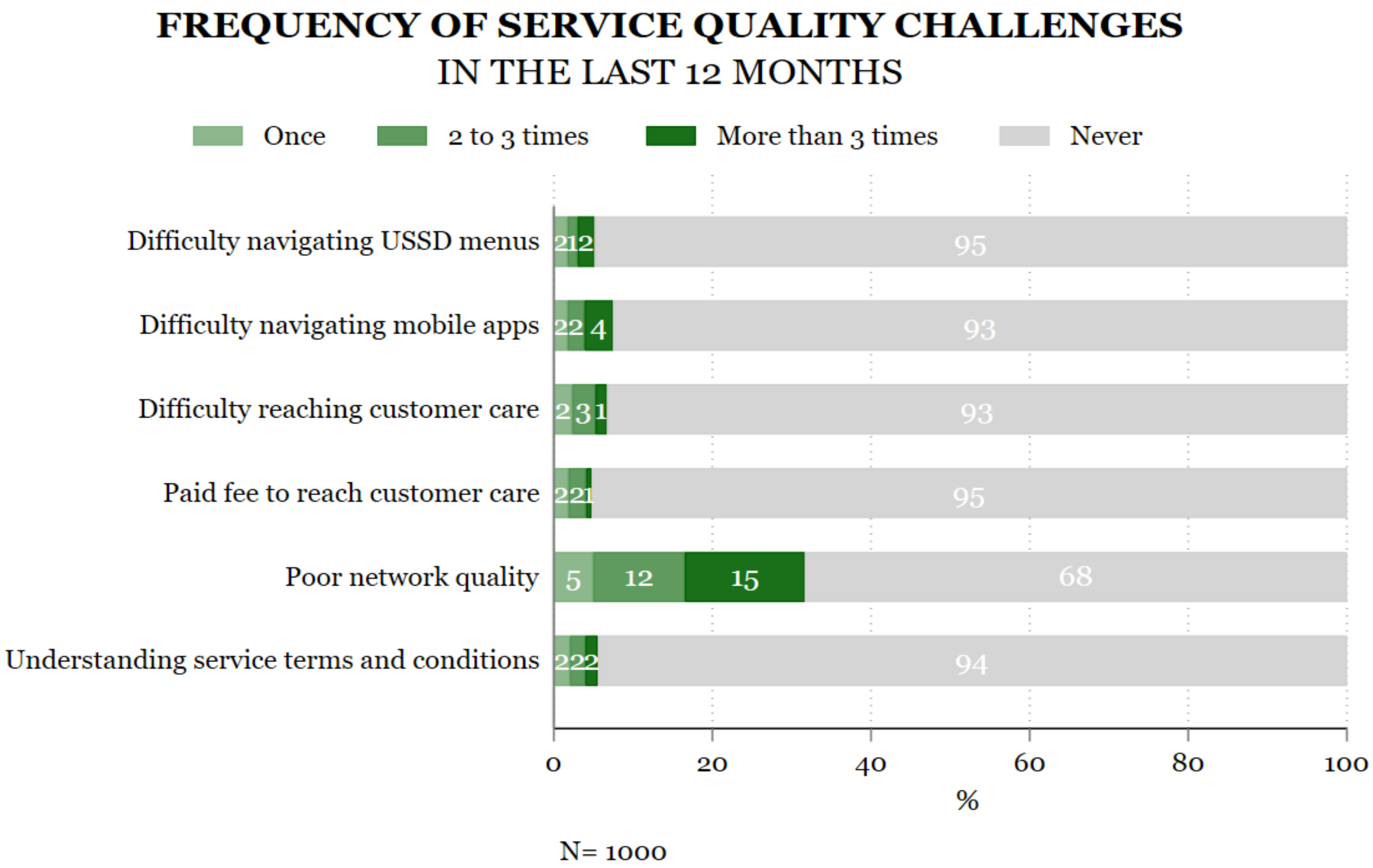
Male respondents and younger adults reported significantly higher rates of **not understanding a service or how to use it.**

Among all respondents experiencing these difficulties,

6 percent
lost money as a result.

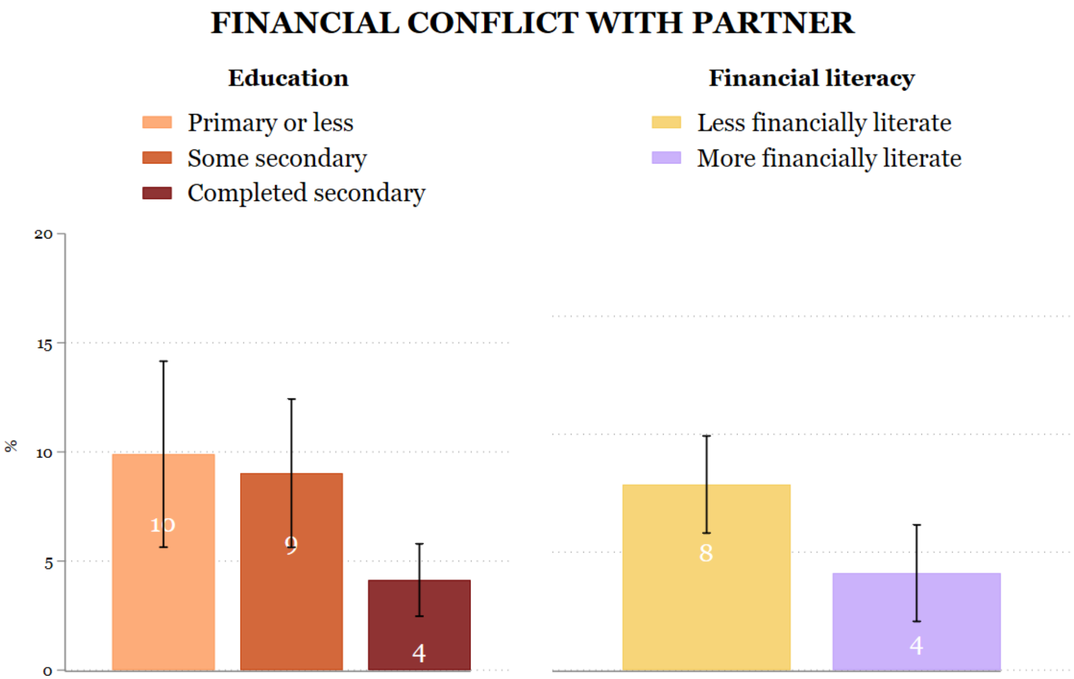
The average loss was **$17.19.**

Poor network quality was by far the most frequently experienced service quality challenge encountered.



Seven percent had experienced a financial disagreement with a partner or household decision maker, a potential indicator of financial abuse.

Less financially literate and less educated respondents reported higher rates of intra-household financial conflicts.



N= 1026. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

5 percent
said that a spouse or decision maker had accessed their financial account without their permission.

2 percent
had been prevented from using money stored in their account.

2 percent
said a spouse or decision makers had taken out a loan in their name without their permission.

Female respondents were more likely to say that their account was accessed without their permission.

Challenging Complaints Redress Processes

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Key Findings

1. **Redress-seeking rates:** Of those who lost money due to fraud, unexpected fees, or service quality challenges in the past 12 months, only 32 percent sought redress to resolve the issue. Male respondents were more likely to seek redress.

2. **Recovery of funds:** Among the 31 percent of redress seekers who lost money, 25 percent were able to recover some or all of it. The average loss in the incident was USD 11.

3. **Redress resolution:** 67 percent of redress seekers were satisfied with the outcome. 10 percent of cases did not get resolved, and 69 percent of respondents spent money (averaging USD 1.46) on resolution costs like airtime fees or travel expenses.

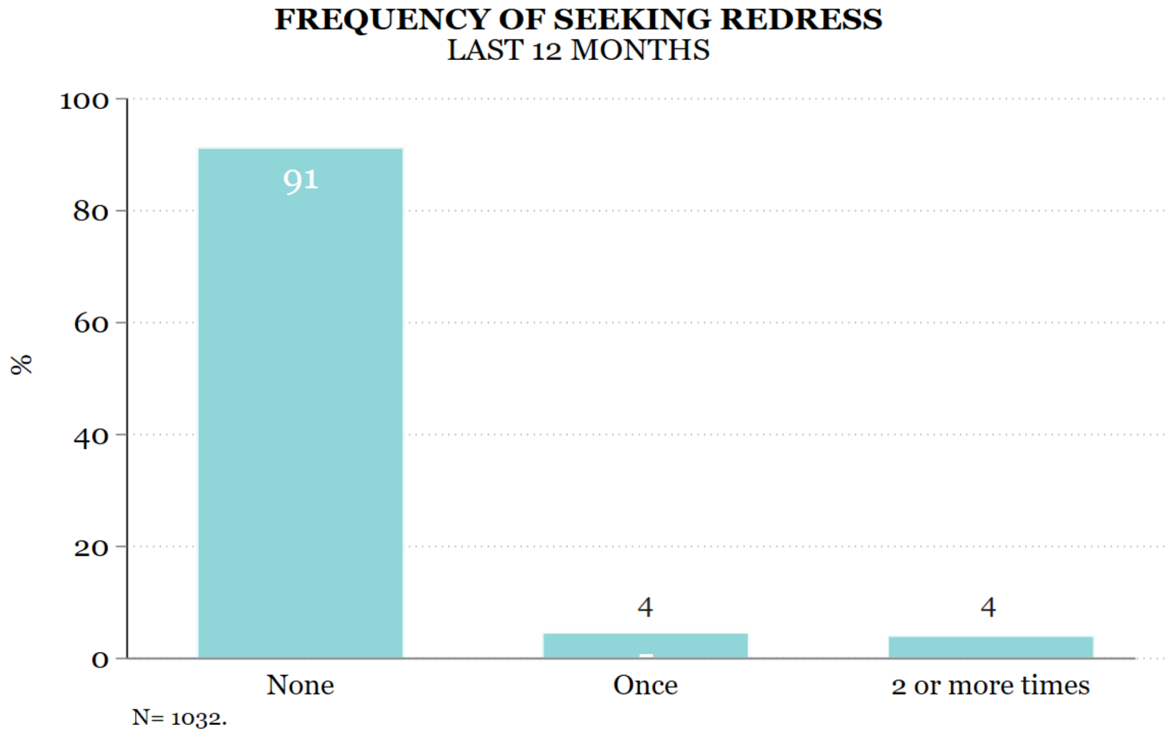
4. **Impact on service usage:** Among redress seekers, 31 percent made a change to their DFS usage as a result of the challenge experienced. Those dissatisfied with the outcome were significantly more likely (60 percent) to switch providers or reduce/discontinue DFS usage compared to those satisfied (17 percent).

Respondents rarely sought redress for a DFS challenge.

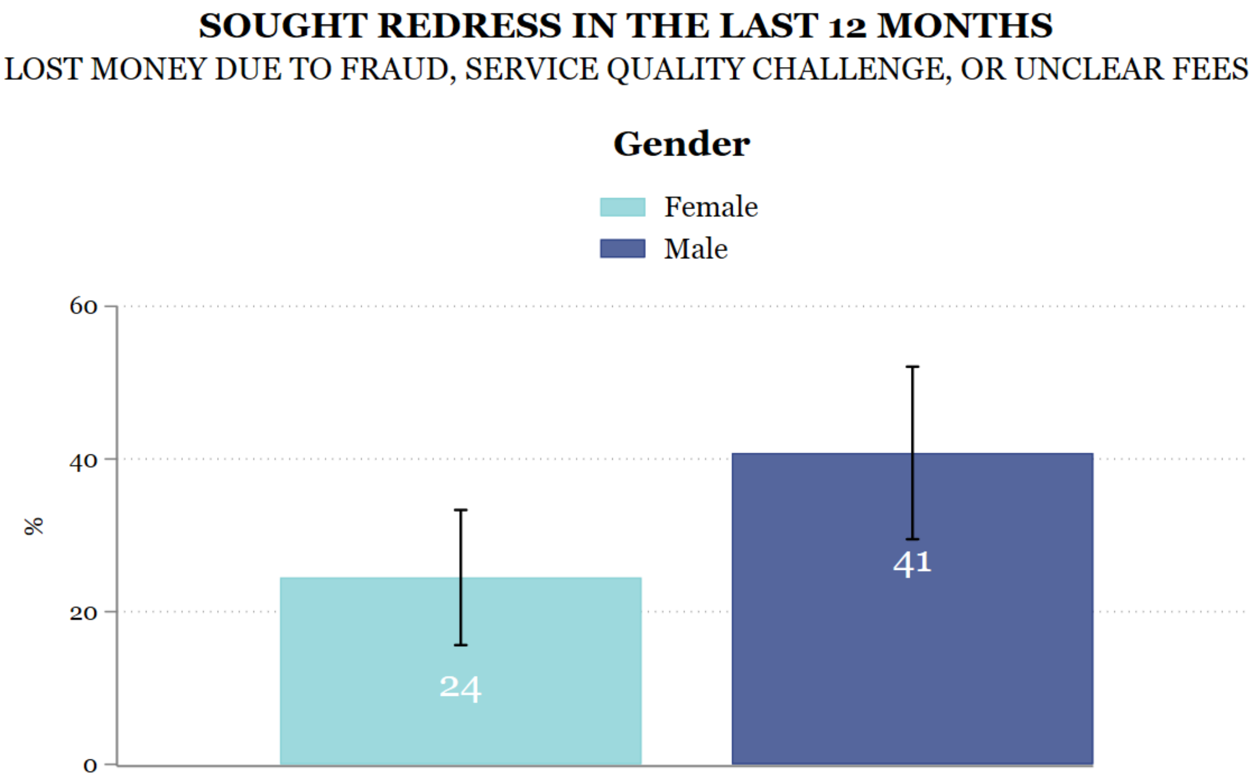
9 percent
of all respondents had sought redress for an issue in the past 12 months.

4 percent
had sought redress for an issue more than once in the past 12 months.

32 percent
of respondents <u>who had lost money</u> due to fraud, an unexpected fee, or a service quality challenge had sought redress in the past 12 months.

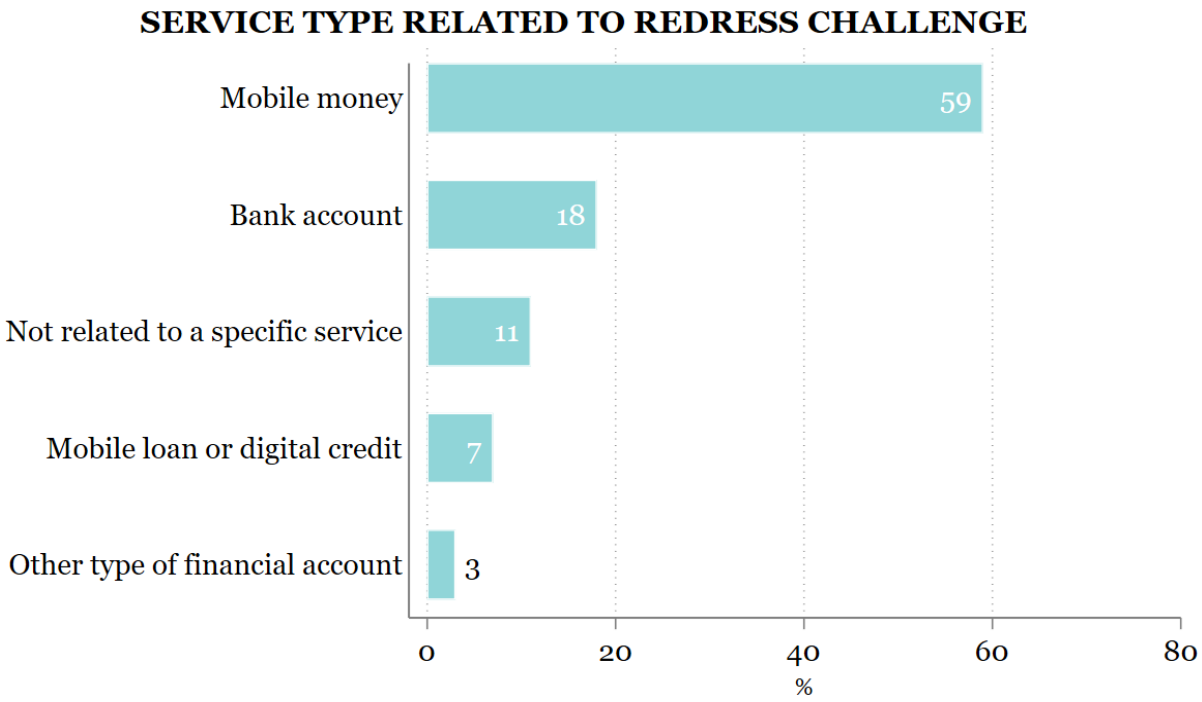


Of those that lost money due to a DFS challenge, male respondents were more likely to seek formal redress.



N= 170. 95% confidence intervals shown.
Graphs produced only when consumer segments differed at the 5% significance level.

Mobile money was usually involved in the last challenge for which redress was sought.



N= 90.
Excludes 2 don't know/refuse to answer responses.

53% contacted the service provider

23% contacted an agent

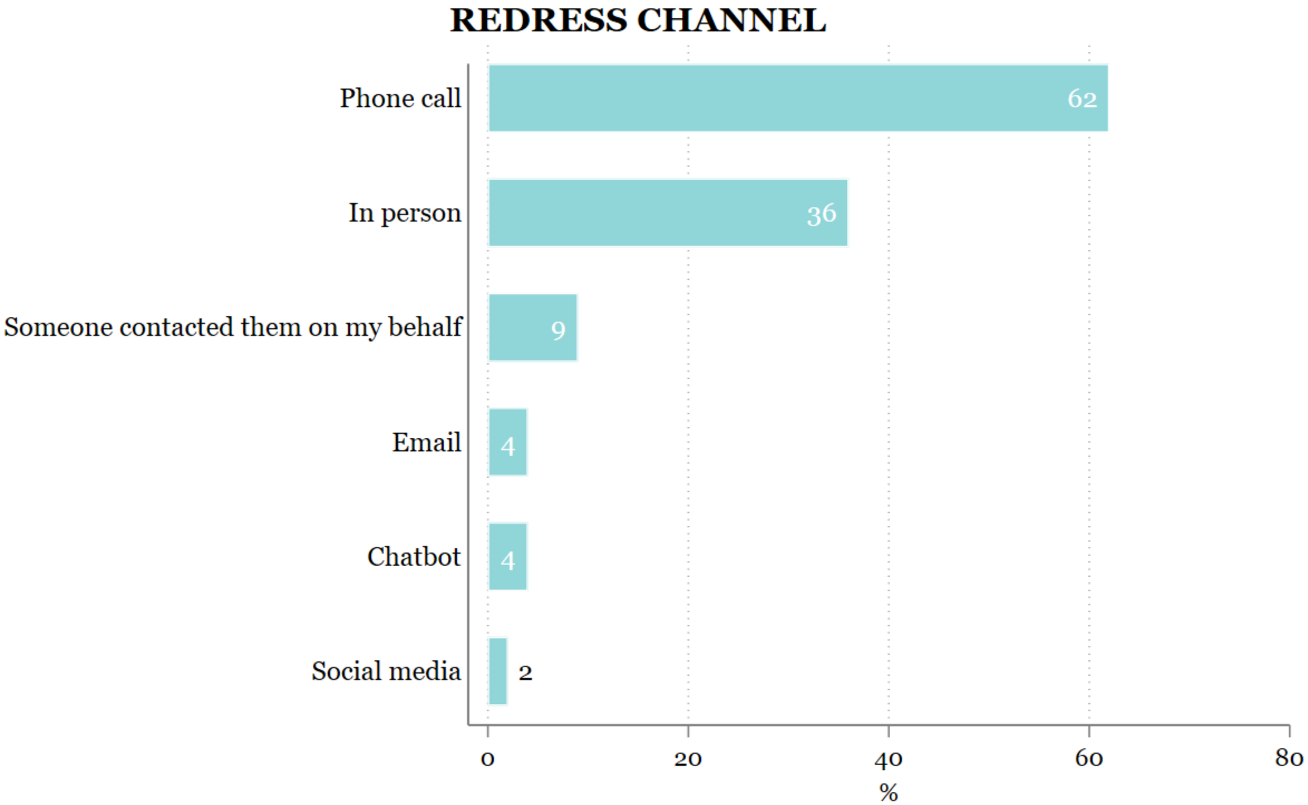
18% contacted the mobile network operator

2% contacted a government agency, including the police.

1% contacted an email provider.

Phone call was the most common mode of seeking redress.

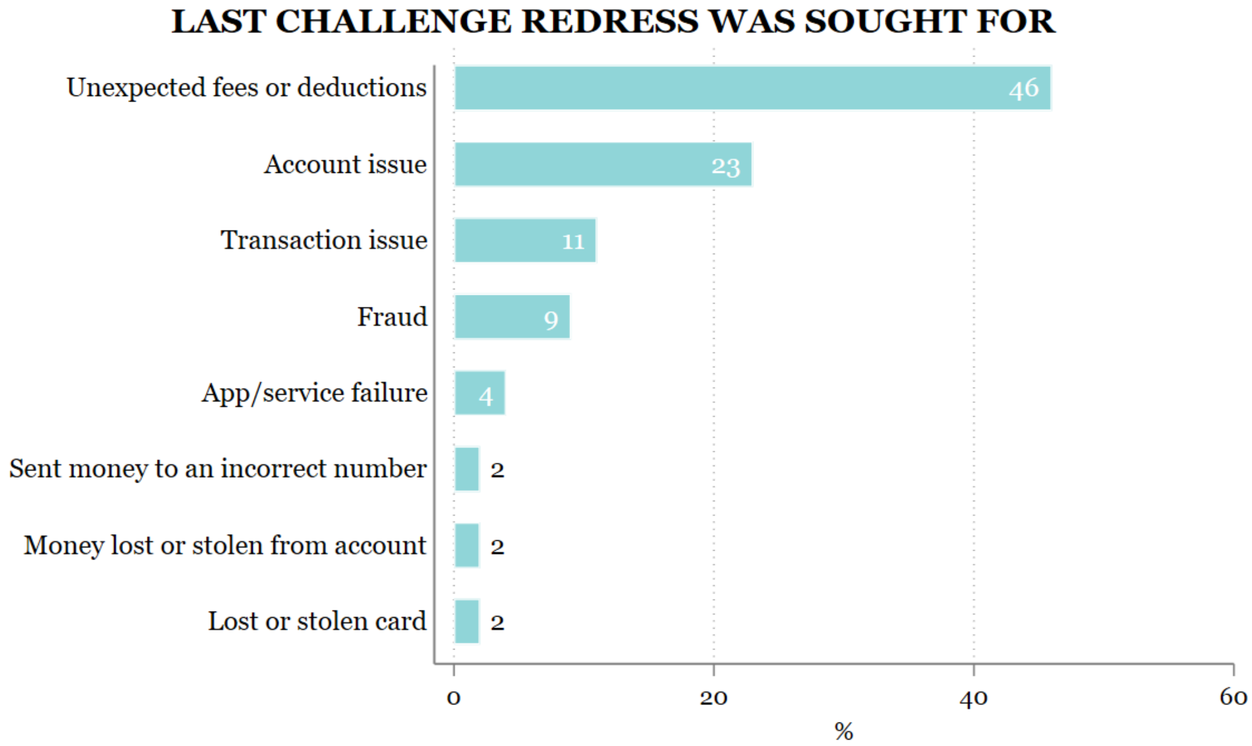
Email, chatbot, and social media were all utilized by less than 5 percent of respondents.



Multiple selections possible. N= 90.
Excludes 3 don't know responses.

Less educated respondents were more likely to seek redress in person and less likely to use phone call.

Unexpected fees or deductions was the most common issue for which redress was sought.



Categorized ex-post from text describing the redress issue.
N= 90

Less educated respondents were more likely to have sought redress for issues relating to money sent incorrectly, and less poor respondents for transaction issues.

A third of redress cases involved loss of funds.

31%

of challenges for which redress was last sought involved loss of funds.

$10.68

was the average amount that was lost in the incident.

25%

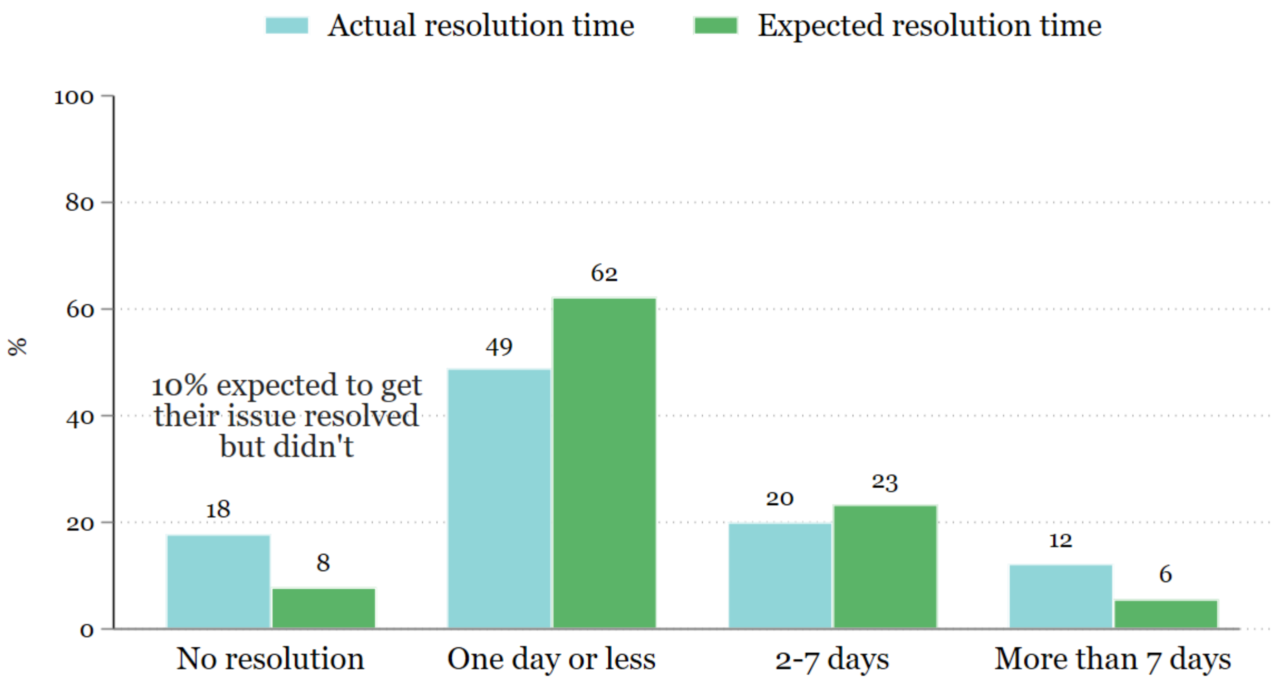
of respondents that lost money were able to recover some or all of it.

Recovery rates did not differ significantly by consumer segment.

Resolution times are longer than respondents expected.

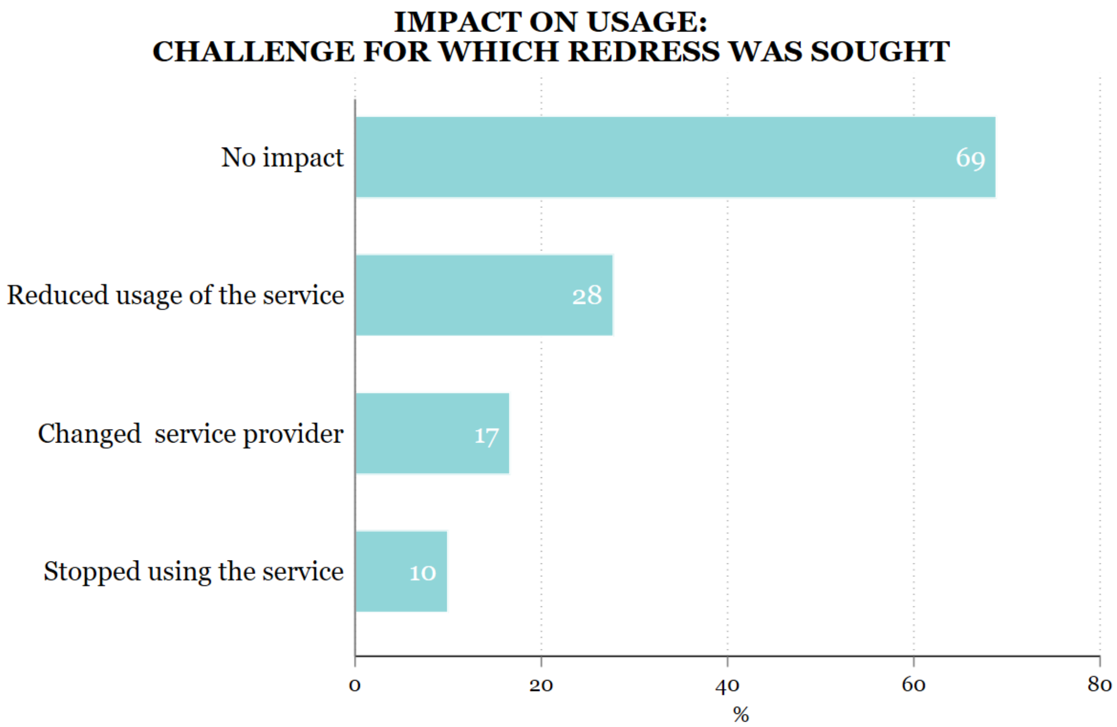
The majority - 69 percent - of respondents spent money to resolve their issue, for example in airtime fees or travel expenses when reports were made in person. On average, they spent $1.46 on the resolution.

RESOLUTION TIME OF LAST REDRESS INCIDENT



N= 90.
Excludes 2 don't know/refuse to answer responses.

Amongst redress seekers, 31 percent made a change to their DFS usage as a result of the challenge they had experienced.



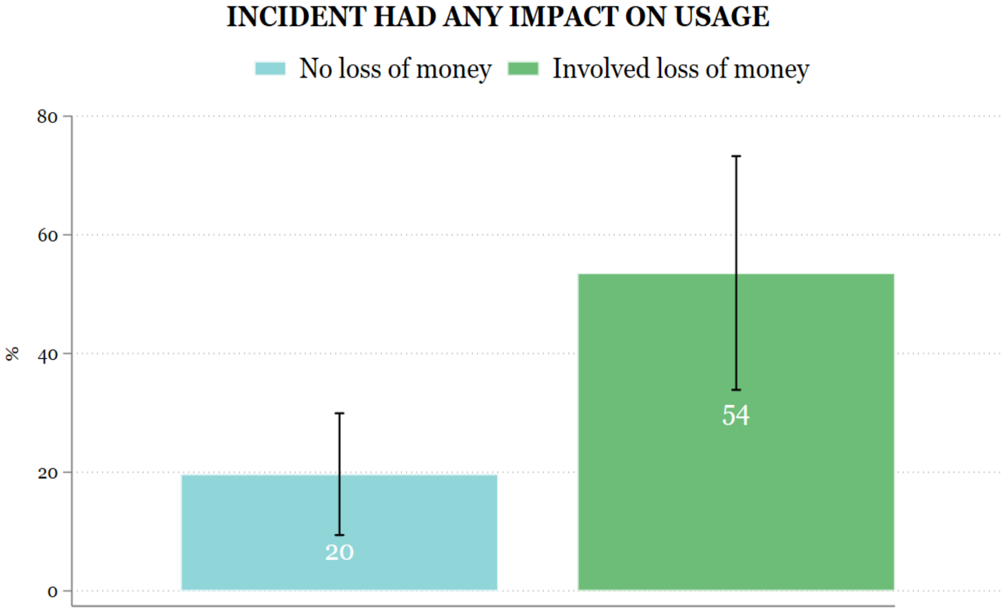
Multiple selections possible. N= 90.

Less educated respondents were more likely to change service provider.

67 percent
were somewhat or very satisfied with the redress outcome.

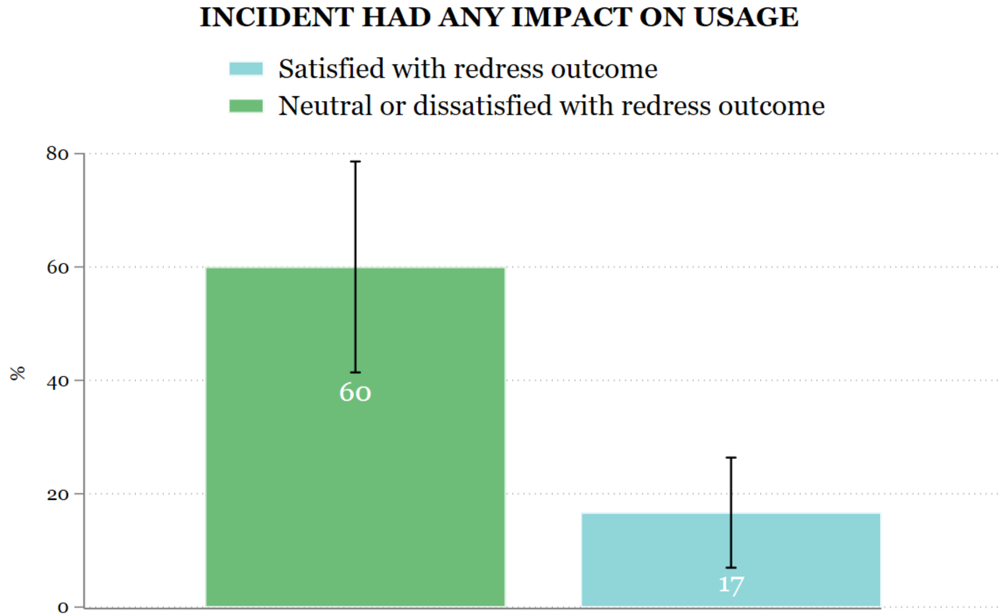
Complainants reporting lost money or dissatisfaction with the redress process tend to reduce their DFS usage.

Respondents were more likely to reduce their DFS usage when the challenge involved **loss of funds.**



N= 89. Excludes 1 don't know/refuse to answer response.

Those dissatisfied with the outcome of their complaint were also more likely to reduce their DFS usage.



N= 90

Trust in Digital Financial Services

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Key Findings

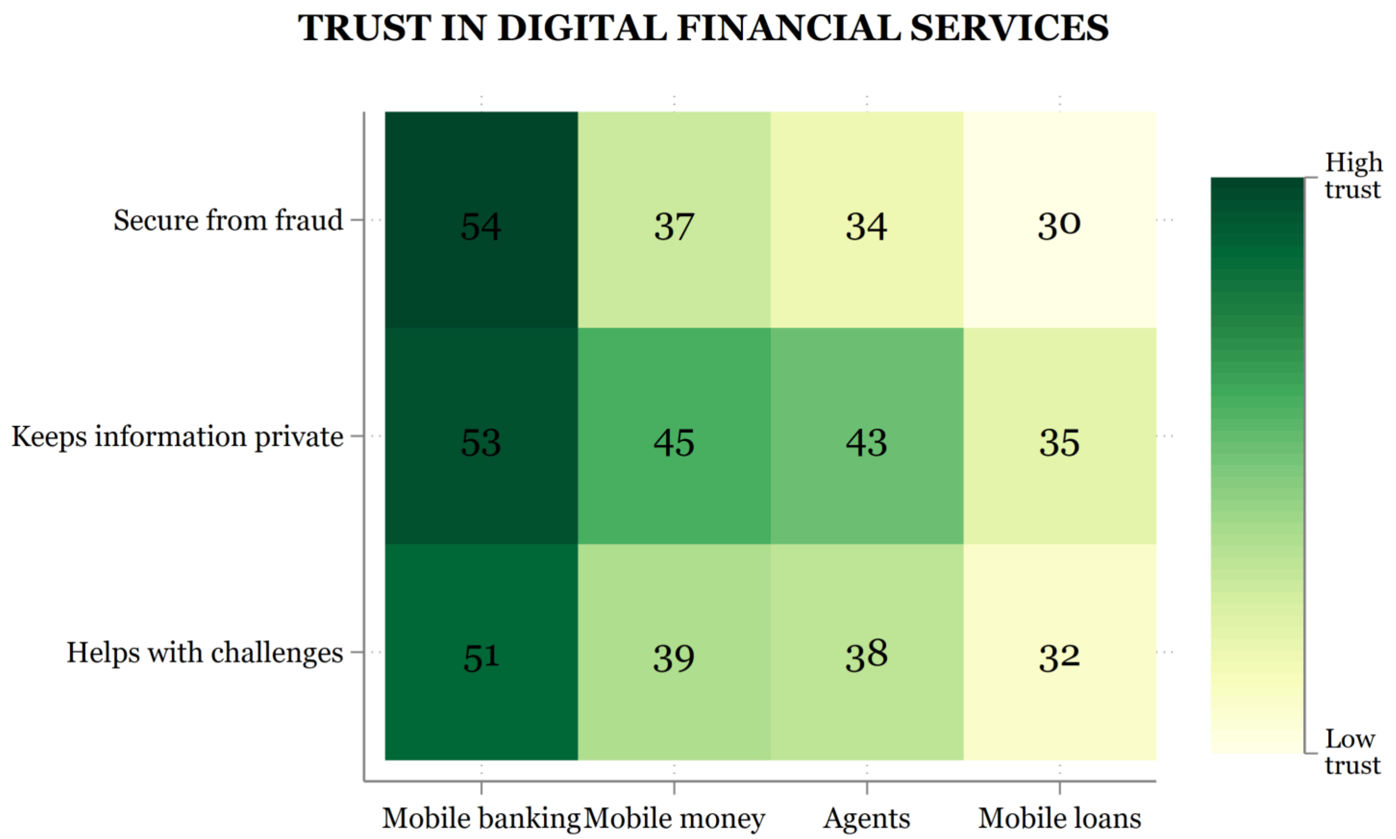
1. **Trust levels by provider:** Consumer trust was highest in mobile banking providers, with 51 percent of respondents giving them full trust ratings. Only around 40 percent fully trusted in mobile money providers and agents, and 33 in mobile loan providers.

2. **Security from fraud:** Across all services, consumers were least confident in providers' ability to keep their money secure from fraud (with 39 percent giving full trust ratings), and most confident in their ability to keep information related to their transactions or account private (with 44 percent giving full trust ratings), with ability to help with challenges between the two (40 percent giving full trust ratings).

3. **Demographic trust patterns:** Female and less poor respondents tended to be less trustful, as measured by a trust index score constructed from all trust indicators.

4. **DFS challenges and impact on trust levels:** Consumers who experienced DFS challenges showed lower trust scores, with issues related to losing money due to fraud particularly strongly correlated with reduced trust.

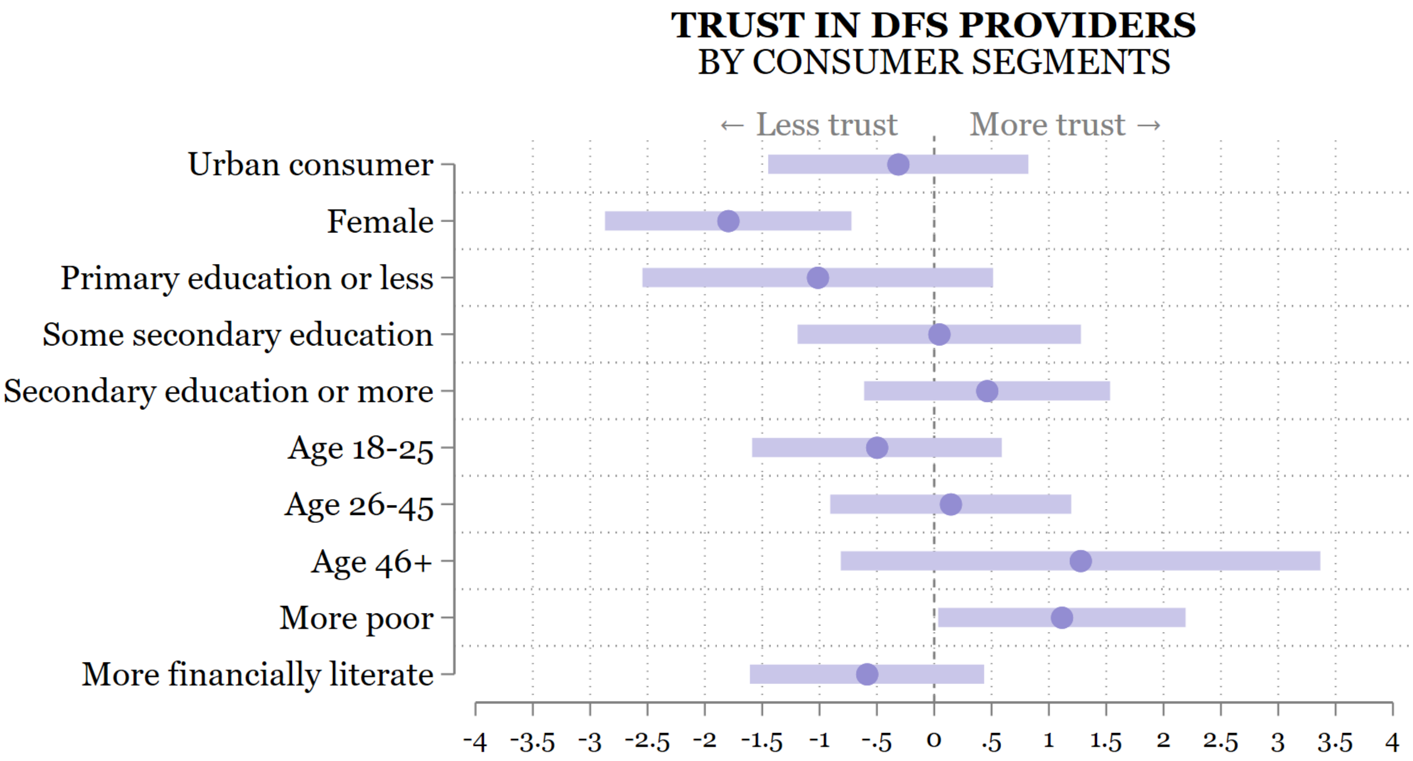
Consumer trust is highest for mobile banking services, and lowest for mobile loans.



N= 1032. Graph shows the percentage of respondents who gave the highest trust rating to statements related to security from fraud, privacy, and help with challenges.

Trust in DFS providers varies by consumer segments.

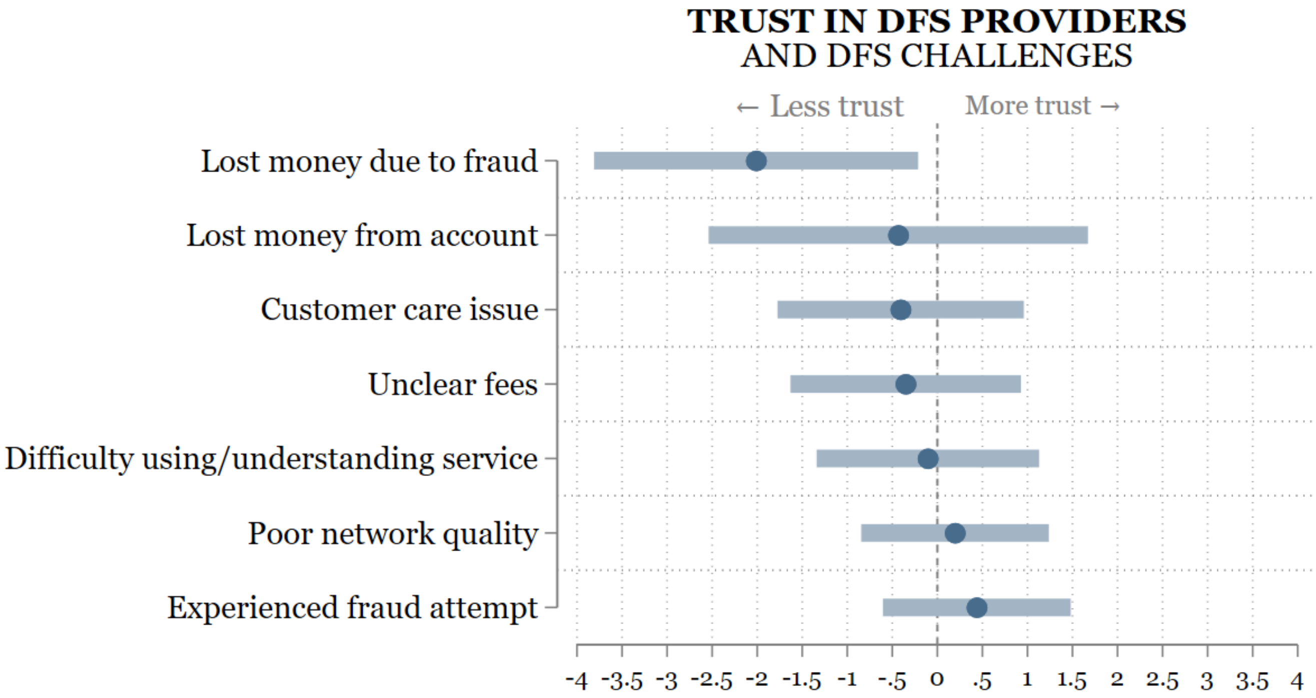
Female and less poor respondents tend to be less trustful.



N= 1032. Linear bivariate regression results. Dependent variable is trust in DFS providers (composite index using principal component analysis of indicators related to trust in mobile money, mobile banking, and mobile loan providers and their ability to protect money from fraud, help with challenges, and keep information private). Coefficients on the demographic indicator shown. Separate regressions run for each consumer segment. 95% confidence intervals reported.

Consumers who have experienced some types of DFS challenges tend to have lower trust in DFS providers.

Provider trust is particularly strongly negatively correlated with losing money due to fraud.



N= 1032. Linear bivariate regression results. Dependent variable is trust in DFS providers (composite index using principal component analysis of indicators related to trust in mobile money, mobile banking, and mobile loan providers and their ability to protect money from fraud, help with challenges, and keep information private). Coefficients on the challenge indicator shown. Separate regressions run for each challenge. 95% confidence intervals reported.

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